

Turkish firebrand leader dreams of Islamic order

ANKARA (R) — Islamist leader Necmettin Erbakan, given the mandate on Friday to try to form a government, wants to reverse more than half a century of Turkish history.

The founder of modern Turkey, Kemal Ataturk, formed a secular republic from the defunct Ottoman empire in 1923 and is still accorded demigod status. His picture, in all offices and public places, stares down as a stern warning to those aiming to subvert Turkey's secular line.

Erbakan, who still faces an uphill struggle to find coalition partners for a government, has an Islamic World view and finds little of merit in the non-Muslim world.

"The West learned everything it knows from the Muslims," he said in a newspaper interview.

The veteran head of the Welfare Party (RP) was given the mandate to form a new Turkish government after the collapse of the conservative coalition formed to deny him power.

If he succeeds, he will be the first Islamist premier in Turkey's modern history.

Mr. Erbakan has set his sights on power since leading his party to a narrow first in December general elections, winning 21 per cent of the vote and 158 of the 550 seats in parliament.

But he will face long, tough talks as he tries to persuade the secularist parties — as he did after the December elections — to join him in a coalition.

Political analysts said the Islamists were likely to fail.

Mr. Erbakan's fiery rhetoric expresses sweeping themes aimed well beyond Turkey's borders.

"We won't just save Turkey on Dec. 24, we will save the world," he said in a typical stump speech ahead of the polls.

"When we get down to work we will set up an Islamic United Nations, an Islamic NATO and an Islamic version of the EU. We will create an Islamic currency."

Mr. Erbakan, a man of grand, sweeping ideas that

are often short on detail, believes his training as a mechanical engineer.

Impressed with the young Erbakan's precision, professors at Istanbul University let him teach classes in motor machinery straight after graduating at the age of 22.

He later spent two years conducting research in a West German university and in factories in the Ruhr during the post-war reconstruction boom before returning to Turkey.

His time abroad did not distract him from his obligations as a Muslim — he has been praying five times a day since the age of 13 — nor impress him with the ways of the West.

Welfare opposes Turkey's 43-year-old membership of NATO. It is also against a recent customs union between Ankara and the European Union which Mr. Erbakan sees as part of a Western plot to hold the Muslim World under its economic domination.

Welfare Association allocates \$5.5m for Palestinian projects during 1996

AMMAN (J.T.) — The Geneva-based Welfare Association has decided to allocate \$5.5 million to be spent on projects in the Palestinian territories during 1996, including the establishment of a Palestinian academy and children's centres in cooperation with the local councils there.

The decision was taken at a meeting of the Welfare Association in Geneva in late April.

The meeting, attended by a large number of Palestinian economists and Arab intellectuals, reviewed the association's activities in 1995, including projects worth \$4 million it carried out in the West Bank and

Gaza as well as Palestinian camps in Lebanon.

The projects were implemented within the framework of a programme which aims at:

— Developing human resources, educational programmes and vocational training schemes;

— Supporting culture and encouraging creativity with the aim of protecting the Palestinian identity and heritage; and

— Promoting the work of national institutions and boosting their performance and services.

These projects and programmes were implemented following several workshops, studies

and field surveys.

The Welfare Association's board hosted a reception in honour of prominent Arab personalities and donors to the association.

The board chairman, Abdul Majid Shoman, delivered an address vowing the Palestinian people's appreciation of the Swiss people and government for their continued support for their cause and donors who finance projects.

According to Mr. Shoman donors have, through the Welfare Association, financed more than 1,000 projects in various parts of Palestine together worth \$90 million.

Chad's president faces second reelection ballot

N'DJAMENA (R) — President Idriss Deby won 47.85 per cent of the vote in Chad's presidential election but will have to contest a run-off after falling short of an outright majority, provisional results showed on Friday.

Rival candidate Wadal Abdul Kader Kamougue, like Mr. Deby an army general, polled 11.08 per cent in last Sunday's first round to earn a place in the June 23 second round.

Mr. Deby, a northerner, took power in an armed revolt in 1990 with French political support. Mr. Kamougue, a southerner, led a 1975 coup which killed Chad's first president, Francois Tombalbaye.

Mr. Deby's rivals complained of numerous polling irregularities but election monitors said the problems were not sufficient to call the results into question.

Electoral commission President Pascal Yodimadji said the first multi-party presidential poll in the vast, sparsely-populated country had been a success.

"Chadians have just proved before the world that their history can be written other than by violence, thus putting an end, we hope, to more than three decades of fratricidal clashes," he said on state radio and television.

A total of 15 Candidates stood. The electoral commission put turnout at 76.05 per cent of the 3.5 million eligible voters.

Journalist Saleh Kebzabo came third with 8.53 per cent of the vote, and Mr. Deby's first prime minister, Jean Bawoyeu Alingue, came fourth with eight per cent.

The results have to be confirmed by the court of appeal and candidates then have

five days to lodge any protests.

Tension ran high in pro-opposition southern districts of Chad's capital of N'djamena as people awaited the results.

Youths shouted anti-French insults and jeered at passing cars carrying Europeans outside the home of former Premier Delwa Kassire Commakoye, who was unable to campaign as he was serving a three-month jail term. He was freed on Thursday.

"If Mr. Deby wins in the first round it will be the fault of the French," said one youth. "The French are a plague, we don't want them here any longer," said another.

France provided most of the equipment for the election and French military planes carried electoral officials around the country to deliver results.

Many Chadians feared unrest in the event of an outright victory by Mr. Deby, who can count on the support of the republican guard. Senior army posts are reserved for his Zaghawa tribe.

Mr. Kassire held an emotional news conference to denounce the elections. "This is a veritable masquerade with the complicity of donors who want to support Mr. Deby," he said. "The best answer would be to annul the elections."

Mr. Kassire, who was convicted of retaining cars and weapons from his time as premier, accused Mr. Deby and other party leaders of conspiring to keep him out of the presidential race.

Other candidates opposing Mr. Deby said the election had been marred by considerable fraud and they would use all legal means to protest.

NEWS IN BRIEF

TV apologises to Iran over 'kidnap' report

TOKYO (AFP) — Japan's Fuji Television has apologised to the Iranian embassy in Tokyo for airing a groundless accusation that Iranians were trying to kidnap a child at Tokyo Disneyland, officials said Saturday. Fuji, one of the four major commercial networks, made the apology Wednesday after the embassy complained about its programme, in which a letter from a viewer accusing Iranians of kidnapping was read, the officials said. In the letter, a woman living in Saitama, northwest of Tokyo, had said her child was missing in the amusement park, and was later found in a sack carried by Iranians. The network found that the accusation was groundless after talking with the viewer, the Fuji officials said. Oriental Land Company Ltd., which runs Tokyo Disneyland in Urayasu east of Tokyo, said it had received a dozen telephone calls since the television station broadcast the accusation. Police said there were no reports of kidnapping or missing children at the park.

Russian minister expected in Iraq

BAGHDAD (AFP) — Russian Deputy Foreign Minister Viktor Posavaliukh is expected in Baghdad on Monday as part of a four-country middle east shuttle, diplomatic sources here said. During his visit to Baghdad, the length of which was not specified, Mr. Posavaliukh was due to discuss bilateral relations between the two countries with Iraqi leaders, the sources said. He was also due to pass on a message to Iraqi Deputy Prime Minister Tariq Aziz from Russian Foreign Minister Yevgeny Primakov. The Russian foreign ministry said Thursday that during his visit to Baghdad Mr. Posavaliukh would also look at "Russia's participation in the transport of humanitarian aid" under the terms of the oil-for-food deal agreed between Iraq and the United Nations on May 20.

Sudanese executed in Saudi Arabia

RIYADH (AFP) — A Sudanese found guilty of murdering a woman and her two children was executed Friday in Riyadh, the Saudi Interior Ministry announced. Saadeddin Mohammad Ezzeddin broke into the home of a Sudanese woman, stabbed her and hacked off her arm to steal her gold bracelets, a ministry statement carried by the official Saudi Press Agency said. He then killed her two daughters aged four and two before escaping, it said. It was the seventh execution announced this year in Saudi Arabia, which applies strict Islamic law calling for the execution of murderers, rapists, armed robbers and drug smugglers. Last year a record 186 convicted criminals were executed in the kingdom.

Film festival opens in Lebanon

BEIRUT (AFP) — The junior version of the Cannes Film Festival opened Friday in Beirut with 10 films and cartoons to be shown to a jury of Lebanese children. The six-day festival, the first to be held outside Cannes, is organised by the French cultural mission in Lebanon, the U.N. Children's Fund UNICEF and the city of Cannes. Films from France, Iceland, the Czech Republic, Canada and Madagascar will be screened to the jury of nine children, who were chosen after entering a competition to write a film review in French.

Korean crosses Sahara desert in seven-month trek

CAIRO (AP) — He wore through seven pairs of shoes, weathered two bouts of diarrhoea and was blinded by blistering sandstorms along the lonely dunes of the vast Sahara.

On Thursday, Jong Yul Choi, a 38-year-old south Korean adventurer, left the solitude of a seemingly unending desert, becoming the first person to walk a west-to-east route across the Sahara, according to organisers of the trip.

"There was a desert in Africa so I wanted to cross it," Mr. Choi said at a news conference, wearing a pair of old jeans and a t-shirt with "Sahara" written in red on a black square.

Then he waxed philosophical: "I wanted to see how a human reacted in extreme situation."

In the 1980s, Mr. Choi

Nouakchott, Mauritania, near the Atlantic Ocean, then covered 7,400 kilometres of dunes and hills over nearly seven months. He arrived Thursday in Snakin, a Sudanese port on the Red Sea, and then flew north to Cairo.

In all, he crossed five countries — Mauritania, Mali, Niger, Chad and Sudan — under an unrelenting sun.

The inspiration? "There was a desert in Africa so I wanted to cross it," Mr. Choi said at a news conference, wearing a pair of old jeans and a t-shirt with "Sahara" written in red on a black square.

Then he waxed philosophical: "I wanted to see how a human reacted in extreme situation."

In the 1980s, Mr. Choi

climbed mount Everest. He raised the Korean flag at the North Pole in 1991. The Sahara offered a contrast.

"I went to the cold north pole and wanted to experience the difference between the ultimate cold and hot," he said.

Throughout the trip, Mr. Choi kept to a rigorous routine of 40 kilometres a day, gradually increasing to 60 kilometres.

He woke up at 4:30 a.m., ate breakfast, then started walking at 5 a.m. He walked 13 hours a day, stopping only for an hour to cook and eat a lunch of rice, dried beef and pork.

He carried a 15-kilogramme rucksack packed with food, water and his sleeping bag, and slept under the stars. Every now and then, he stopped

for 10 minutes to catch his breath and drink some water. He finally rested at 6 p.m.

Mr. Choi said he went through seven pairs of shoes, slept sporadically because of the heat and had diarrhoea twice. Sandstorms often made walking impossible.

"The only time I thought I could not go on was when I had a high fever," Mr. Choi said of a malaria bout.

He was hassled at the border between Egypt and Sudan, whose relations have deteriorated in recent months. Egyptian border police refused to let him enter the country, he said.

So Mr. Choi was forced to move the final leg of his trip from Al-Quseir, an Egyptian Red Sea port, to Suakin.

Mr. Choi's trip, which was two years in the making, was sponsored by Kia Motors, a Korean carmaker which provided his supply team with two jeeps, and south Korea's Dong-a Ilbo daily newspaper. He was accompanied at times by a reporter, a film producer and a translator. But most of the time he trekked alone.

Mr. Choi returns to Seoul, South Korea, on Sunday. He said he was already suffering from the din of modern civilisation — including Cairo's notorious car horns.

"I am confused. I was used to walking every day and now feel something is missing," he said. "It will take me at least a month to get used to normal life."

Japanese Kimono Fashion Show



The Japanese and Jordanian National Committees for the Japan Week in Jordan, in cooperation with the Hotel Intercontinental Jordan, proudly present the Japanese Kimono Fashion Show on June 9, 1996 at the Grand Ballroom.

Dinner will be held at 8:00pm followed by the Kimono Show at 9:00pm. A special motinée show will be held at 3:00pm at the hotel.

Tickets are available exclusively from the Hotel Intercontinental Jordan.
Ticket prices: Gala Dinner JD 30,000 Motinée JD 3,000



JORDAN TELEVISION

Tel: 773111-19

PROGRAMME TWO

15:00 Cartoon — The Mask
15:30 Mac and Muttley
16:00 Men's Singles Finals
17:00 Men's Singles Finals
17:30 La Vie Devant Moi
18:00 Que Le Meilleur Gagne
18:30 Chateau Vailon
19:00 1996 European Championships: Germany vs. the Czech Republic
20:00 Fresh Prince of Bel-Air
21:00 Daily Summary — Japan Week
21:30 1996 European Championships: Denmark vs. Portugal
22:15 News in English
22:25 Second Half
22:30 Countdown

PRAYER TIMES

03:50 Fajr
05:25 Sunrise (Sunrise) Dhuhr
12:54 Dhuhr
16:15 Asr
19:44 Maghrib
21:19 Isha

CHURCHES

St. Mary of Nazareth Church
Swedish, Tel. 810740
Assemblies of God Church, Tel. 632785
St. Joseph Church Tel. 624590
Church of the Annunciation Tel. 637440
De la Salle Church Tel. 661757
Tepanencia Church Tel. 622366
Church of the Annunciation Tel. 623541
Anglican Church Tel. 652826

ARMENIAN CATHOLIC CHURCH

Tel. 771331

ARMENIAN ORTHODOX CHURCH

Tel. 771261

ST. EPHRAIM CHURCH

Tel. 771751

ARMENIAN INTERNATIONAL CHURCH

Tel. 652526

EVANGELICAL LUTHERAN CHURCH

Tel. 624338

GERMAN-SPEAKING EVANGELICAL CONGREGATION

Tel. 845457

THE LATTER-DAY SAINTS CHURCH

Tel. 654932

CHURCH OF NAZARETH

Tel. 675691

THE EVANGELICAL LOCAL CHURCH IN AMMAN

Tel. 811295

ENGLISH-SPEAKING LUTHERAN CHURCH

Tel. 614190

WEATHER

Bulletin supplied by the Department of Meteorology.

Temperatures are expected to rise significantly becoming above average with winds northeasterly moderate. In Amman, winds will be northerly moderate and sea calm.

Min./Max. temp. 18 / 33

Amman 20, Aqaba 28, Humidity readings: Amman 40 per cent, Aqaba 21 per cent.

USEFUL TELEPHONE NUMBERS

NIGHT DUTY

AMMAN: Makhlis Mazharah 820425

JORDAN TIMES DAILY GUIDE AND CALENDAR

Dr. Wisam Hazin 748563
Dr. Abdul Hadi Tayyib 620115
Dr. Mustapha Al Qasbi 779959
First pharmacy 661912
Firdows pharmacy 778336
Al Asma pharmacy 637025
Nairoukh pharmacy 623672
Al Salam pharmacy 636730
Yacoub pharmacy 644945
Simouni pharmacy 637660
Nairoukh pharmacy 623672
Najib pharmacy 847632

IBRD: Dr. Ahmad Qanu 281484
Alqada pharmacy (-)

ZARQA:

Dr. Zubair Al Qadi 906606

Khalifeh pharmacy 985417

EMERGENCIES

Food Control Centre 637111

Civil Defence Department 661111

Civil Defence Emergency 630441

Rescue Police 192, 621111, 637777

Fire Brigade 617101

Blood Bank 775121

Highway Police 843402

Traffic Police 896390

PUBLIC SECURITY DEPARTMENT

63021

Hotel Complaints 602800

Price Complaints 661176

Water and Sewerage 871467

Complaints 871111

Telephone Information (directory assistance) 121

Overseas Call 010230

Central Amman Telephone 623101

Abdullah Telephone Repairs 661101

Jordan Television 773111

Radio Jordan 774111

Water Authority 680100

Jordan Electricity Authority 815615

Electric Power 636381

RJ Flight Information 06-53200

Queen Alia Intl. Airport 06-53200

Public Security Department 63021

Hotel Complaints 602800

Price Complaints 661176

Water and Sewerage 871467

Complaints 871111

Telephone Information (directory assistance) 121

Overseas Call 010230

SHOLEMAN HOSPITAL

669131

Al-Mustashir Hospital 843845

The Islamic, Abdali 667227/9

Al-Anbi, Abdali 664646

Julian, Al-Muhajir 777013

Al-Bashir, J. Asrafieh 775111/26

Army, Marja 891611/15

Queen Alia Hospital 602240/50

Amal Hospital 607155

ZARQA:

Zarqa Govt. Hospital (09)983323

Zarqa National Hospital (09)900560

Ibn Sina Hospital (09)986732

Al Hikmah Modern Hospital (09)999090

The Arab Centre for Heart and Special Surgery 865199

IBRD:

Princess Basma Hospital (02)75555

Greek Catholic Hospital (02)72275

Al-Narces Hospital (02)54700

AQABA:

Princess Haya Hospital (03)314111

department at the Queen Alia International Airport Tel. (06)53200-5, where it should always be verified.

ARRIVALS

Royal Jordanian (RJ) Flights (Terminal 1)

06:30 Muscat (RJ)

06:30 Jeddah (RJ)

06:30 Larnaca (RJ)

06:30 Dhahran, Riyadh (RJ)

06:30 Dubai, Abu Dhabi (RJ)

06:30 Beirut (RJ)

06:30 Doha, Bahrain (RJ)

4 children injured in rocket attack on Chechen town, report says

MOSCOW (AFP) — Four children were wounded in a rocket attack on the southern Chechen town of Shali, which was blocked Saturday by Russian troops, a local security official told Interfax News Agency.

In another development, gunmen Saturday killed a Chechen regional leader of the pro-Russian government who was criticised in recent weeks for helping separatist fighters. ITAR-TASS news agency reported.

A helicopter gunship carried out a rocket attack on an apartment block and square in Shali late Friday, wounding four children who were then rushed to hospital, a local official told Interfax.

"All our attempts to reach agreement with the Russian military command on lifting the blockade of Shali have been in vain," said the official, adding that extra Russian troops had arrived on the outskirts of the town Saturday.

"All entrances to the town have been sealed off" since Friday morning, he said.

On June 3 federal troops ended a three-day blockade of Shali, 35 kilometres southeast of the Chechen capital Grozny. It was imposed to force the disarmament of separatist rebels they said were sheltering there.

The civilian authorities however insisted there were no rebel fighters present, and Chechens said the blockade was a "provocation" that threatened the peace talks.

Russian and Chechen negotiators were set to resume peace talks Sunday in Nazran, capital of the Autonomous Republic of Ingushetia, bordering on Chechnya.

Russian Prime Minister Viktor Chernomyrdin told ITAR-TASS that the Russian delegation would continue talks with the rebels "despite the fact

that (Chechen chief-of-staff) Aslan Maskhadov's delegation refuses to sign" protocols to implement accords on a ceasefire and prisoner exchange reached in the Kremlin on May 27.

Tim Guldemann, head of the Chechnya mission of the Organisation for Security and Cooperation in Europe, condemned the killing Saturday of Ynsup Yelmurayev, head of the regional administration in Urus-Martan, and two of his bodyguards.

They were gunned down as they left the town, 30 kilometres south of Grozny.

One of the gunmen was also killed in the exchange of fire, pro-Moscow Chechen Interior Minister Khamid Inalov told Interfax.

The killing "may seriously complicate the talks between the Russian federal authorities and Chechen separatists," said Mr. Guldemann, who helped to arrange the unprecedented meeting between President Boris Yeltsin and rebel leader Zelimkhan Yandarbiyev on May 27.

More than 3,000 people later gathered in Urus-Martan and demanded that the killers be punished and that the authorities take tougher action against crime, Interfax reported.

The Urus-Martan local authority had been opposed to the separatists and in favour of the pro-Russian administration in Chechnya since the conflict began in the Caucasus republic in December 1994.

However, Russian forces in Chechnya had recently accused it of supporting the rebels. They said injured separatist fighters were able to use its hospital, the biggest in the region, at will.

Last month Russian commanders ordered airstrikes against the town, claiming to target separatist positions. Mr. Yelmurayev complained, saying the strikes were in fact aimed at civilian targets such as the central market.



Shirvani Basayev (left), the younger brother of Chechen rebel leader Shamil Basayev and member of the Chechen delegation talks with Vladimir Zorin (right), deputy head of the Russian delegation, during a break in the Russian-Chechen peace talks in the city of Nazran (Reuters photo)

Khmer Rouge broken if Pol Pot is dead — prince

PHNOM PENH (R) — Cambodia's First Prime Minister Prince Norodom Ranariddh said the Khmer Rouge guerrilla group would be broken without its leader Pol Pot but officials repeated Saturday they could not verify reports of his death.

Prince Ranariddh said in a speech broadcast Saturday that "the Khmer Rouge movement will be broken" without Pol Pot and former Khmer Rouge foreign minister, Ieng Sary, whom he said was in poor health.

But he added he did not know if the leader of the infamous 1975-79 regime was still alive or had succumbed to disease. More than one million people are believed to have died under the Khmer Rouge's rule.

"If he died we feel released," Prince

Ranariddh said during the speech Friday in the northern province of Preah Vihear, adding some people would feel "very sorry" because he died easily, because when he took power he made Khmers very miserable.

Government officials said earlier this week they were trying to check intelligence reports that Pol Pot, who is now 68 and a long-time sufferer from malaria and other ailments, was seriously ill and possibly dead.

"There is no independent confirmation...I checked with the military," one cabinet minister, who declined to be identified, told Reuters Saturday.

Albania to hold partial re-run of polls

TIRANA (R) — Albanian President Sali Berisha, whose ruling Democratic Party claimed a landslide victory in a widely criticised general election, has decreed a partial re-run of the polls, Albanian Television said Saturday.

But the head of the opposition Social Democrats said he would not be content with only a partial re-run and described the decree as a ploy by the president to mask manipulation.

Mr. Berisha said polls would be re-run in 17 constituencies on June 16. In his decree, he invited all political parties and voters to participate.

The Central Electoral Commission declared voting invalid in 13 constituencies saying "serious irregularities influenced the final result of the voting". It had previously agreed to a re-run in four constituencies after acknowledging irregularities.

"The president invites all parties and candidates to take part in these elections. He also invites all the people to vote for the best policies and candidate," the decree said.

Mr. Berisha said he would guarantee that the elections were free and in accordance

with international standards.

But Skender Gjinushi, chairman of the opposition Social Democrats, said they would not accept a partial re-run.

"We cannot accept a partial re-run if there is no general recognition of all the violations. Berisha's decree is not the solution. This is the president's ploy to hide (the manipulations) from the world," he said.

Mr. Berisha's Democratic Party emerged the clear victor with 101 seats won in direct voting during the two rounds on May 26 and June 2. This surpassed its 1992 victory of 62 per cent.

But most of Albania's opposition parties pulled out of the election races midway through voting, alleging manipulation and voter intimidation by the conservative Democrats.

The United States and the European Union have advised the government to hold a partial re-run of the election and the European Commission is awaiting a report from observers of the Organisation for Security and Cooperation in Europe (OSCE) on the extent of alleged vote rigging.

Baku condemns U.S. aid to Karabakh

BAKU (AFP) — Azerbaijan Saturday condemned a move by the U.S. House of Representatives to link aid to the ex-Soviet republic with direct help for rebels in the breakaway ethnic Armenian enclave of Nagorno-Karabakh.

Agshin Mekhityev, director of U.S. and Canadian affairs at the Azeri Foreign Ministry, called upon the Clinton administration and U.S. Senate to prevent the so-called Porter Amendment becoming law.

The amendment, proposed by Congressman John Porter and adopted Friday by the House of Representatives, would ease an earlier ban on all U.S. government-to-government aid for Azerbaijan, but would require the United States to provide \$1 in aid to Nagorno-Karabakh for each \$7 sent to Azerbaijan.

Hafiz Pashayev, the Azeri ambassador to Washington, told AFP by telephone that he did not rule out the possibility of Azerbaijan refusing the aid, estimated at about \$25 million, because the amendment implicitly recognised the breakaway region as a separate entity.

Several newspapers in the Azeri capital

Baku also urged the authorities to refuse the aid.

Azerbaijan has had to cope with up to one million refugees from the conflict over Nagorno-Karabakh.

Under an earlier congressional act, the United States cut off official aid to Azerbaijan because of Baku's economic blockade of Armenia.

Despite the ban, the U.S. maintained indirect humanitarian assistance to Azeri refugees through the Red Cross and other non-government organisations.

But the Azeri authorities have called for a full lifting of the ban, which they say treats them as the only aggressors in the conflict.

Armenians in Nagorno-Karabakh launched a secession bid in 1988, triggering a six-year war that left more than 20,000 people dead and 500,000 displaced. A shaky ceasefire has been holding in the region since May 1994.

Armenian forces control not only Nagorno-Karabakh but also significant other parts of Azerbaijan's territory. Most Azeris have been driven out of the occupied areas.

Bomb explodes outside Kashmiri separatist's home

SRINAGAR, India (R) — A car bomb exploded outside the home of a Kashmiri separatist leader, injuring two people and damaging dozens of houses and nearby shops, Indian police said Saturday.

Abdul Gani Lone, executive member of the All Parties Hurriyat (Freedom) Conference, a separatist organisation, accused the Indian army of trying to kill him in the blast, which occurred overnight. The army denied the charge.

A group of Hurriyat leaders later lodged a protest with the United Nations Military Observer Group in India and Pakistan (UNMOGIP).

Hurriyat Chairman Omar Farooq, Jammu and Kashmir Liberation Front chief Yasin Malik and two others dodged security forces to hold their first meeting with U.N. representatives in Srinagar since the separatist revolt erupted in 1990.

"We met them for 25 minutes and we have lodged our protest against yesterday's bomb blast," Mr. Farooq told reporters outside the UNMOGIP office.

The Hurriyat chairman said the U.N. officials told the delegation that they would forward the protest to U.N. Secretary-General Boutros Ghali.

The explosion, which spared Lone, was the latest in a series of attacks on separatist leaders' homes.

Unidentified gunmen attacked Mr. Lone's house with grenades and automatic weapons in January, February and April. The house of another Hurriyat leader, Syed Ali Shah Geelani, was hit by rockets last October and December and again in March.

The Press Trust of India (PTI) said minutes after the explosion outside Mr. Lone's house, unidentified gunmen opened fire on Mr. Geelani's home and threw a grenade. Police stationed outside the separatist leader's home returned fire. No one was injured, PTI said.



Members of a special forces unit from Interior Ministry Troops sit at a check point in the centre of Grozny Saturday. The talks between Russian and Chechen sides taking place in Nazran, the capital of Ingushetia, have been postponed until Sunday (Reuters photo)

Suu Kyi defies Burmese junta, holds public meeting

RANGOON (AFP) — Burmese opposition leader Aung San Suu Kyi defied threats by the ruling junta to close her National League for Democracy (NLD) to address 4,000 cheering supporters outside her home Saturday.

"We are not doing this to provoke the government, we are doing this as it is our responsibility to the people," Ms. Suu Kyi told the crowd in front of her home.

The opposition leader's defiant stand followed an announcement Friday that the junta had issued an order giving the Home Ministry power to ban organisations holding "unlawful" gatherings and jail its members.

In response to the Burmese government's harder line, the United States said it would send two special envoys next week to seek a coordinated response from South East Asia countries and Japan to developments in Burma.

NLD Vice-Chairman Tin Oo said the party Central Executive Committee, which met earlier Saturday, would prepare a statement on its position with regard to the order, which effectively ends political opposition.

Other NLD officials said they had been told by intelligence authorities that the weekend meetings would be banned, leading to speculation here that the road outside Ms. Suu Kyi's house would be blocked Saturday.

However, the authorities made no attempt to stop the meeting and even removed barbed-wire barricades which are normally placed on the sides of the road to keep people from spilling over into the traffic.

Stockpiles of barbed wire appeared overnight on each side of the opposition leader's home on suburban University Avenue but were later removed.

Ms. Suu Kyi has stepped up NLD activities in recent weeks, and has pledged to hold a string of party congresses and write an alternative constitution to one being drafted by the government.

The government responded by rounding up 262 NLD activists ahead of a pro-democracy meeting on May 26. It has also launched blistering and often personal

attacks on Ms. Suu Kyi and the NLD in the official press.

Analysts said the government is poised to ban the NLD as it has threatened to do but is waiting to see how far the opposition party will go.

The authorities have warned that they would ban organisations and slap prison terms of up to 20 years on members found to be breaking laws governing "untoward political activity" and challenging the government.

"The law will strictly be applied for the deserving," an editorial in the official English-language New Light Of Myanmar said Saturday. "Violators beware," it warned.

Ms. Suu Kyi has been holding the meetings, which have been attended by between 5,000 and 10,000 people in the past two weeks, despite existing laws banning the gathering of more than five people for political purposes.

The official press also said Saturday that at least four NLD members had resigned from posts to which they were elected in the 1990 elections.

The NLD swept the vast majority of the seats up for grabs in the elections, but the military junta has refused honour the results and step down.

Of the 262 party activists detained by the military authorities in the past three weeks, a total of 238 were NLD candidates elected in 1990.

The detentions sparked international outrage and the United States has announced it would send two special envoys next week to seek a coordinated response from South East Asia countries and Japan to developments in Burma.

The authorities have released more than 150 of the NLD's elected candidates so far, many of whom have signed pledges to end their ties with the party, with other more stubborn party members being held on in detention.

However, Ms. Suu Kyi said last week that any such pledges or statements were considered to have been signed under duress and as such would not be recognised by the party as being valid.

4 die in Indo-Pakistani border clash

JAMMU, India (AFP) — Three Pakistanis and an Indian were killed Friday in fierce gunbattles between the two countries' border guards along the disputed Kashmir frontier, officials said Saturday.

The Pakistanis died when paramilitary Indian Border Security Force (BSF) personnel fired back, after coming under intermittent gunfire from the Pakistan Rangers, BSF officials said in this winter capital of Kashmir state.

A Defence Ministry official in Islamabad denied that three Pakistanis had been killed and said only one girl was injured during the clashes which occurred Thursday and Friday.

"The Indians indulged in unprovoked firing and we had to retaliate," the official said, adding that the situation was calm Saturday.

A BSF spokesman said the intermittent Pakistani firing began Wednesday in the border region of Chicken Neck, 85 kilometres southwest of Jammu. An Indian villager, Mangal Singh, was killed Friday.

The Rangers reportedly fired at eight villages and some isolated BSF pickets along the border, triggering panic among the civilian population.

"Our men retaliated, and three Pakistanis were killed in a village across the border," the spokesman told AFP. "We don't know if the dead were Rangers or civilians."

"The Pakistanis have fired more than 10,000 rounds in the last 24 hours," the spokesman added. "They are using light and medium-machine guns. The firing continued until early this morning."

"There is a lot of panic in the Chicken Neck area after the Pakistani firing," said Mohan Lal, a villager who was injured in the gunfire and has been admitted to a hospital here.

Indian and Pakistani border guards frequently exchange gunfire on the long and winding border of Kashmir, a Himalayan province whose ownership is disputed by the two bitter rivals.

The latest border clashes coincided with Pakistani Prime Minister Benazir Bhutto's call to India's new leadership Tuesday to set aside lingering differences and resume bilateral talks to help end tensions in South Asia.

"As civilised nations, let us sit across the table in a search for lasting peace," Ms. Bhutto said in a congratulatory message to H.D. Deve Gowda after he was sworn in as India's 11th prime minister on June 1.

Ms. Bhutto's offer of talks was hailed across the Indian political spectrum, including Hindu nationalists who were briefly in power in New Delhi last month as well as the Congress (I) Party of former Premier P.V. Narasimha Rao.

On Friday, External Affairs Minister Inder Kumar Gujral said in New Delhi that the centre-left United Front coalition government would respond positively to Ms. Bhutto's appeal.

"We are going to respond in a helpful way," Mr. Gujral said. "Our response will appreciate the sentiments in (Bhutto's) letter. India's policy will be to create an environment of peace and good neighbourliness."

On Saturday, however, a Hindu nationalist politician in Kashmir, India's only-Muslim majority state, dubbed Bhutto's peace overtures as a sham.

"On the one hand, the Pakistani prime minister offers talks," said Chaman Lal Gupta, a leader of the Bharatiya Janata Party (Indian People's Party) and a newly-elected MP from Kashmir.

"On the other, they (Pakistan) are sending terrorists into India and continuously firing on Indian villages and killing innocent people," Mr. Gupta said here. "How can any talks be held in this atmosphere?"

"The government of India should react strongly to the Pakistani firing," he added.

India accuses Pakistan of fomenting a Muslim separatist drive in Kashmir. Islamabad denies the charge, but gives open diplomatic support to the unrest.

Kung-fu monks clean out sausage factory

BEIJING (AFP) — China's Shaolin Temple, famed for its kung-fu fighting monks, has won a two-year lawsuit against a pork sausage manufacturer for linking its product to the strictly vegetarian monastery. The Luobe Canned Food Factory was forced to apologise to the monastery and pay 5,000 yuan (\$600) in compensation, following a ruling by the Zhengzhou Intermediate Court in the central province of Henan, the Xinhua News Agency said Saturday. The lawsuit concerned a television advertisement the factory commissioned in 1993 to promote its "Shaolin" brand sausage. The commercial showed images of Shaolin monks practising their martial arts, and claimed the sausage was "as famous as Shaolin kung-fu." However, the factory had overlooked that fact that all Shaolin monks are strictly vegetarian Buddhists who were more than a little put out by being used to endorse a pork product.

China panda balloon to fly round world

BEIJING (R) — China has launched a panda-shaped hot-air balloon to fly across the Pacific to win support for environmental protection, the Xinhua News Agency said. The 27 metre-high balloon took off from Chengdu, capital of southwestern Sichuan province, Tuesday on a journey across China to Beijing and then on to Japan, the United States and Australia, Xinhua said. The China Association of Wild Animal Protection and a Japanese foundation chose the endangered giant panda as the symbol of a campaign to boost public concern for environmental protection. Only about 1,000 giant pandas are believed to survive in their natural habitat in China.

Shoe-less giant appeals for sole mate

BEIJING (AFP) — China's tallest man has issued a desperate appeal to the country's shoe makers to cobble together some appropriate footwear to fit his 36 centimetre feet. Xinhua reported. Huang Changliu, 30, who stands 2.32 metres (7.6 feet) tall and weighs in at 115 kilograms (253 pounds), said his gigantism had posed no serious problems apart from his inability to purchase shoes. Mr. Huang, a native of central Hunan province, began growing at the age of 12 but was only recently recognised as the country's tallest man. According to his wife, Mr. Huang is still growing. "He was 1.9 metres tall when we got married in 1988 and he was 2.27 metres tall last year," the agency quoted her as saying.

Couple stage kidnapping to have extra child

BEIJING (AFP) — Grass-roots opposition to China's so-called one-child policy was highlighted by a report of a couple who faked the kidnapping of their daughter in order to have another child. Desperate for a son but wary of the stiff financial penalties handed out for violations of the family-planning policy, the couple in central Henan province hid their daughter with their in-laws. They then trashed their own house and claimed that kidnappers had broken in and taken their daughter away, the Legal Daily said. The ruse was soon uncovered by the police, who are still considering what steps to take against the couple, the newspaper said. Under China's national family-planning policy, urban couples are only allowed one child, while rural couples can have two, or even three if they belong to a minority group.

Chirac pledges to join new NATO

PARIS (R) — President Jacques Chirac, setting out a blueprint for an overhaul of Europe's defence and arms industry, pledged Saturday to take France back into full membership of NATO if plans to boost the continent's role in the alliance succeed.

He also urged European partners to give Russia its rightful place in any future security link-up.

"One of France's main concerns is to better share out responsibilities between the United States and Europe... That must be our priority in the next few months," Mr. Chirac said in a speech to the IJedn Military School in Paris.

NATO foreign ministers agreed in Berlin Monday to preserve U.S.-led NATO's unified command but give European members more leeway to run their own missions with borrowed alliance equipment and intelligence should Washington decide not to take part.

"Far from loosening trans-Atlantic ties, the Berlin decision reinforces them, by giving more room to European initiative and intervention. A more responsible partner is also a more trustworthy one," Mr. Chirac said.

"This decision, if it is borne out by events, opens the way to France's full involvement in the structure of an alliance whose operations have been radically transformed," added Mr. Chirac, who has launched the most sweeping reform of France's armed forces since World War II.

Military experts still have to work out the details to put the Berlin decision into practice. The key question of how much freedom of action Washington will give its allies in using NATO equipment the United States owns is still to be clarified.

France, which quit NATO's military wing in 1966 in protest at U.S. dominance, has been one of the most vocal advocates of a European defence pillar.

Mr. Chirac said the new pillar should be based on a strong European Union, a transformed Atlantic alliance, and a European security organisation giving Russia its rightful place.

"(Russia) is on the eve of very significant elections. We must back its efforts on the road to democracy and a market economy."

"We must make the Russian people... understand that we are seeking neither to weaken nor to isolate it," he added.

After holding a final series of nuclear tests in the South Pacific which sparked worldwide protests, Mr. Chirac said that France would spare no effort to bring Geneva negotiations on a Comprehensive Test Ban Treaty (CTBT) to a swift end.

"In a few days time, in Geneva, I will call again before the disarmament conference for all to mobilise so that the treaty be signed as early as this autumn," Mr. Chirac said.

As part of "a great ambition for Europe", Mr. Chirac said that the French military must be overhauled to be ready to intervene in a European framework, and that France and Britain would reinforce their nuclear deterrent cooperation.

The EU's council should be entrusted with supreme responsibility for a common defence policy.

"The creation of a Franco-German cooperation group is a first step towards this European harmonisation of equipment plans. I want this group to open up as soon as possible to partners who share our objectives," he said.



Smoke streams from spot fires in a forested area north of Anchorage where the worst wildfires in Alaska's history have destroyed homes and nearly 36,000 acres of forest. Fire officials expect to have the blaze fully under control by June 10 (Reuters photo)

Alaska declared disaster area over fires

HOUSTON, Alaska (R) — U.S. President Bill Clinton Friday declared a major disaster in Alaska because of wildfires still raging in the state and sent a team to determine what federal assistance will be needed.

Firefighters battling the main blaze around the town of Houston 56 kilometres north of Anchorage were confronted with strong breezes and arid conditions that fanned the flames.

Forestry officials said the fire had consumed 37,760 acres (15,280 hectares) and destroyed 216 homes, barns and other structures of value.

About 1,800 people were evacuated from their homes in Houston and Big Lake and other nearby communities but no serious injuries have been reported.

Officials say parched conditions follow-

ing a winter drought have created high fire risks throughout Alaska.

Mr. Clinton sent a team of officials to inspect the damage and coordinate federal relief efforts. The disaster declaration makes federal relief available to victims of the fire.

"The thought and prayers of all Americans are with the people of Alaska during this difficult time," the president said in a statement issued by the White House.

Firefighters were trying to contain another blaze southwest of Anchorage bordering on the Keolai National Wildlife Refuge, home to hundreds of moose, bears and other animals. The park is one of Alaska's most popular tourist attractions.

A third fire continued to burn in sparsely populated eastern Alaska, but had destroyed no buildings.



Elaine Elliott cries as she is held by Mark Murray as they stand in the burned-out ruins of their home in Big Lake, near Anchorage. Between 250-350 structures have been destroyed by the worst wildfires in Alaska's history (Reuters photo)

Dole hits Clinton on credibility

NASHVILLE (R) — Republican presidential challenger Bob Dole attacked President Bill Clinton's credibility Friday in this country music capital as he tried to head off a threatened storm in his own party over abortion.

At a rally of several thousand young Republicans, Sen. Dole said Mr. Clinton was "heavy on promises but light on accomplishments."

He said he has been telling the truth about Mr. Clinton's record throughout the country and suggested the president had not been truthful, without directly saying so.

Sen. Dole told the young Republicans meeting in an auditorium near the state capitol that the nation "deserves nothing less than 100 per cent honesty from their president," using the country music capital theme in his speech.

Sen. Dole said Mr. Clinton reminded him of the song by Aaron Tippin, "You've Got To Stand For Something Or You'll Fall For Anything."

Sen. Dole is in his waning

days in Congress and will leave the Senate next Tuesday after 35 years as a lawmaker. He will then spend all his energies campaigning for the presidency and said "telling the truth about Bill Clinton is a full-time job."

The Kansas senator did not mention the abortion issue that he raised Thursday when he vowed he will not retreat from supporting a "pro-life" constitutional amendment opposing abortion in the party platform.

Abortion is the most divisive issue among Republicans and a rigid anti-abortion stance has angered leading moderate Republicans who want the constitutional amendment plank dropped from the platform of party policy positions.

Sen. Dole also said Thursday he wanted a "declaration of tolerance" in the platform welcoming those who disagree with the anti-abortion position and favour legalised abortions.

But after the Nashville rally he said in a television interview that he wanted to avoid a divisive platform fight over abortion at the convention in San Diego in August.

"We don't want the convention dominated by the media talking about one issue," he said, adding that some in the media would "like to spend all their time on one issue."

At the rally, he campaigned with former Tennessee Gov. Lamar Alexander, a one-time rival for the party presidential nomination, as part of a two-day trip that will take him to Marietta, Georgia, home area of House Speaker Newt Gingrich.

China conducts nuclear test, announces moratorium

BELJING (R) — China, the world's only nuclear power still conducting tests, carried out a nuclear explosion at its western desert site Saturday and announced a moratorium from September after one final blast.

The test aroused a storm of condemnation around the world with some leaders casting doubt on whether China had been sincere in its conditional offer just two days earlier to join the Comprehensive Test Ban Treaty (CTBT).

Diplomats said the explosion, coming after Beijing agreed to abandon its demand that an international test ban treaty exempt "peaceful" blasts, was part of China's scramble to upgrade its arsenal before the year-end ban on tests worldwide.

The blast Saturday at the Lop Nor test site in the northwestern Xinjiang region was recorded at Chinese time 10.56 a.m. (0256 GMT) and created a shock that registered 5.7 on the Richter Scale, Australian seismological centres reported.

"Before September this year, China will conduct another nuclear test to ensure the safety of its nuclear weapons," the Foreign Ministry said.

"After that, China will exercise a moratorium on nuclear testing," the ministry said in a statement.

China's planned moratorium marked its most public commitment to join the four other declared nuclear powers —

the United States, Russia, Britain and France — in halting tests.

But Beijing has long indicated it would abandon testing only after it completes what it regards as a programme of explosions essential to boost its nuclear arsenal and improve defences.

"For the purpose of the supreme interests of the state and the nation, China cannot but conduct the necessary and the minimum number of nuclear tests," the Foreign Ministry said, adding that Beijing had always exercised "utmost restraint."

Australian Prime Minister John Howard condemned the latest Chinese blast as insensitive to world opinion while Japan's Prime Minister Ryutaro Hashimoto deplored it and urged Beijing not to go ahead with its planned final test.

German Foreign Minister Klaus Kinkel said the explosion undermined the flexible stance China had shown recently in negotiations on banning nuclear tests.

The latest test was the 44th nuclear explosion at the Lop Nor underground site since tests started there in 1964, Western records show. China carried out two tests last year and says it has conducted far fewer blasts than other powers.

"The estimated body wave had a magnitude of 5.7 and preliminary estimates indicate the yield of the explo-

sion was in the range 20 to 80 kilotonnes. This is in the middle range of explosions," a spokesman for Australia's Department of Foreign Affairs said.

Xinjiang residents said they felt an earth tremor that rattled windows and lasted for about half a minute.

China told the conference on disarmament in Geneva Thursday that it would temporarily give up its demand for the right to conduct "peaceful" nuclear blasts if other powers agreed to a review of the treaty in 10 years.

Beijing's demand had been a major obstacle in talks to conclude the CTBT by a June 28 deadline. The other four declared nuclear powers have all backed the treaty without exception.

"This nuclear test is deplorable," Damon Moglen, a spokesman for anti-nuclear group Greenpeace said. The group's MV Greenpeace set sail from Manila for Shanghai Saturday to protest against tests and should arrive off China around June 11.

"China is not only jeopardising the CTBT and impending progress on nuclear disarmament, it is now the only nuclear weapons state with an active testing programme," he said.

"China will continue to work with other countries for the conclusion, within this year, of a fair, reasonable and verifiable treaty with universal adherence and unlimited duration," the Foreign Ministry said.

Seoul is planning for defector influx — paper

SEOUL (R) — South Korea is drawing up plans to handle a possible mass influx of defectors from North Korea, a South Korean newspaper reported Saturday.

Legislation would lay down how to integrate North Koreans into South Korean society and provide for the building of a camp in the suburbs of Seoul, the Dong-A Ilbo quoted unnamed officials as saying.

A bill to be sent to parliament this year would also cover job training, recognition of North Korean professional qualifications and special treatment in education, tax, housing, finance and medical care, the newspaper said.

A spokesman for the Unification Ministry would neither confirm nor deny the report.

South and North Korea have been technically at war since the 1950-53 Korean War.

About 600 North Korean defectors now live in the South. In recent months arrivals have picked up following chronic food shortages in the North.

A scientist at Pyongyang's State Research Institute and a scriptwriter arrived in Seoul last week in the latest in a string of high-level defections. Last month an air force captain flew his MiG-19 fighter across the border.

The scriptwriter, Chang Hae-Song, told reporters Friday the North Korean economy was in a state of a total collapse and citizens were packing trains to go to China to buy grain.

International relief agencies report peasants eating tree bark, grass and roots.

The United States confirmed Friday that it is prepared to respond positively to a U.N. appeal for more emergency food aid for North Korea and officials said the contribution would be \$6 million.

"We are prepared in principle to respond positively to this appeal," State Department spokesman Nicholas Burns said.

He told reporters the new donation — on top of \$2 million given earlier this year — was purely for humanitarian reasons with no conditions attached.

It comes after a \$43.6 million appeal announced Thursday by the United Nations to cope with the effects of floods last summer, the worst in 100 years.

Some U.S. officials



Taiwan President Lee Teng-Hui waves to journalists after a meeting of the ruling party's leadership in Taipei Saturday. Mr. Lee shuffled his cabinet Saturday, tapping veteran officials to lead the government's economic competitiveness drive and seeking to fulfill a campaign promise to promote in new talent (Reuters photo)

Lee forms Taiwan's 1st post-election cabinet

TAIPEI (R) — President Lee Teng-Hui shuffled Taiwan's cabinet Saturday, tapping veteran officials to lead the government's global competitiveness drive while seeking to fulfil a campaign promise to promote new talent.

Spokesman Hansen Chien of the ruling Nationalist Party, who unveiled the new line-up, dismissed opposition grumbling that the premiership and other top posts were left unchanged or given to established party heavyweights.

"Despite what outsiders say about the name list, if we look objectively it should be regarded as a new beginning," Mr. Chien said at a news conference, noting that 29 out of 40 posts went to cabinet newcomers.

Mr. Lee campaigned for the presidency in March on a pledge to switch premiers and rejuvenate the cabinet, yet he retained Premier Lien Chan.

Analysts said the new line-up reflected a strong commitment to boosting Taiwan's economic competitiveness to ensure survival despite acute political isolation imposed by rival China.

Economics Minister Chiang Pin-Kung was promoted to replace Hsu Li-Teh as head of the policy-forming Council for Economic Planning and Development, while the Finance Ministry went to Central Bank Deputy Governor Paul Chiu.

"Economic issues will be the biggest challenge to the new cabinet," said banking expert Norman Yin of National Chengchi University. "We can clearly see that promoting Taiwan into an Asia-Pacific business operation centre will be the new cabinet's top priority."

Two key China-related posts — defence minister and head of the powerful Mainland Affairs Council — were left unchanged.

Beijing regards Taiwan as a renegade province unqualified for sovereign diplomatic ties. Taiwan's government is recognised by only 31 countries.

In an echo of the Nationalists' 1911-1959 rule of China, the Foreign Ministry portfolio went to John Chang — a grandson of late President and Nationalist Generalissimo Chiang Kai-Shek.

U.S.-educated Chang is the only "Chiang dynasty" descendant active in politics. His father was Chiang Ching-Kuo, who inherited the presidency on his father's death in 1975. He bears his mother's surname because his parents did not marry.

The main casualty of the reshuffle was Justice Minister Ma Ying-jeou, a Harvard-educated lawyer whose aggressive drive on corrupt politicians won huge public support — but is said to have made enemies in the ruling party.

Demoted to minister without portfolio, Mr. Ma is seen as a victim of party politics. He is replaced by fellow graft-buster Liao Cheng-Hao, head of the ministry's Investigation Bureau.

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Symptoms matter less

SYRIA'S OFFICIAL daily Al Thawra may have set the tone for the Damascus summit grouping Syrian President Hafez Al Assad, President Hosni Mubarak and Saudi Crown Prince Abdullah Ibn Abdul Aziz when on Friday it expressed the view that unity "constitutes the Arab people's most powerful weapon to confront the difficulties and challenges" posed by the Likud's return to power in Israel. Now there is talk about convening a broader Arab summit comprising no less than 10 Arab leaders to forge a united stand in the face of the new developments in the Middle East. The article of faith in Arab unity is for us an understatement since it is a foregone conclusion that the overall Arab weakness vis-a-vis Israel no matter what sort of government that state has is attributable first and foremost to divisions in our ranks.

But it is one thing to talk about Arab unity and quite another to lay the groundwork for and actually achieve it. Jordan has campaigned and struggled against Arab disunity by word and deed right from the start. Jordan also pleaded against manipulation by some Arab countries of the causes of others whether within the context of the Arab-Israeli conflict or otherwise. What transpired on some Arab fronts, though, suggested that there was a whole of difference between the rhetoric on unity, on the one hand, and reality as it unfolded before our eyes. Still, we continue to champion the return to unity as the only solution to our common problems not only with regard to the Jewish state but also in relation to the host of other regional and international issues that face us.

We happen to believe that the election of Benjamin Netanyahu poses a set of new variables and challenges which call for a united Arab stand. His government's platform is fast crystallising and suggests that his hardline campaign rhetoric on Jerusalem, the Palestinian and Syrian territories under occupation since 1967 has not disappeared. Therefore, holding an expanded Arab summit is the least that the Arab World can be expected to do at this critical stage. As the Crown Prince of Saudi Arabia has stated on the eve of the start of the summit in the Syrian capital, the Arabs seek peace and not surrender.

While Jordan yesterday did indeed come out in support of the idea of convening an Arab summit in Cairo later this month, as His Majesty King Hussein said it would in a television interview Friday we have to be clear on two points. The first is that nothing will be more damaging than forging a superficial sign of unity that breaks down at every juncture. And the second is that the cause of the upcoming summit should not be just to serve the interests of one participating country at the expense of the others. Transient considerations cannot serve permanent causes or strategic goals. The Cairo Summit will succeed only if its whole effort is directed at fighting the root causes of Arab ills rather than the symptoms that surface from time to time.

ARABIC PRESS COMMENTARIES

IRAN SHOULD stop interfering in other countries' internal affairs if it wishes to keep good relations with them and if it does not wish to see others interfering in its own internal affairs, demanded Mahmoud Rimawi, a writer for Al Ra'i Saturday. In commenting on the ongoing dispute between Bahrain and Tehran over the alleged Bahraini accusations that Tehran has been behind the disturbances and the explosions in Manama, the writer said that Iran should realise that its cultural, religious and other ties linking it with the Arab World require it to refrain from tampering with the security and stability of its Arab neighbours in the Gulf. Interfering in other countries' affairs contravenes all norms and international rules and is not justified by any excuse, he added. Having levelled continued criticism at the U.S. for interfering in other countries' affairs, Tehran should not follow in Washington's footsteps and copy its example and commit the same blunder, he cautioned. The writer said that Tehran's unacceptable involvement in Bahrain's affairs and the recent disturbances there are seen as yet another example of its attempts to influence politics in Lebanon where its backing of the Hizbollah resistance group has created tension with the Lebanese government.

A WRITER for Al Ra'i daily Saturday compared Israeli premier elect Benjamin Netanyahu's contacts with the leaders of Oman, Mauritania and Tunisia and disregarding Israel's peace partner Yasser Arafat as an attempt to place the cart before the horse and deceiving the Arab Nation. Sultan Al Hattab said that by ignoring the Palestinian partners in the peace-making process, Netanyahu is following the example of his predecessor Yitzhak Shamir at the Madrid Peace conference and is acting in an irresponsible manner that is bound to undermine the whole peace process. Israel should realise, said the writer, that the Palestine question lies at the heart of the whole Middle East conflict and unless this question is resolved in cooperation with and the consent of the Palestinian people and their leaders, there can be no chance for the Jewish state to establish normal relations with the other Arabs, warned the writer. He said it is also regrettable to see leaders of other Arab states ignoring the Palestinian leaders and holding meetings without them to discuss matters concerning Palestine as well as their own interests in connection with matters related to Israel and the Arab World. He said that these Arabs are copying Netanyahu's example and are trying to ignore the Palestinians.

Sunday's Economic Pulse

Failure awaits Cairo economic summit

ONLY FOUR more months separate us from the date set for the Cairo economic summit, better known as Casablanca 3. Yet we hardly hear or read anything regarding this summit and the preparations supposed to be under way, neither here in Jordan nor in Egypt which will host the next Middle East economic conference, erroneously described as summit.

It is obvious that the enthusiasm with which this chain of conferences was met has declined. The great hopes and expectations which are unleashed, first in Casablanca in 1994 and then in Amman in 1995, turned out to be a big disappointment. So much so that the third summit fails to elicit attention. In fact, we do not know yet how Jordan will be represented, its strategy or objectives. It seems as if the government has no idea, and the private sector is not interested.

Perhaps the real purpose behind this chain of conferences was to arrange face-to-face meetings between the Arab and the Israeli leaders and businessmen, at all levels. This objective was achieved, and it is not very important to repeat it under the lights of TV cameras and media attention.

Arab-Israeli hand shakes are no more sensational news

fit for front pages, they shifted to the internal pages.

If these economic conferences were meant to lay down the foundations for the so called "New Middle East" or Middle East order, then we can conclude that the conferences must have reached an impasse.

The Middle East market as a project, is destined to fail. It does not have a chance to succeed. The attempt failed even among Arab countries. When we add Israel, Turkey and perhaps Iran, the mission becomes rather impossible.

The four Middle East institutions which were called for in Casablanca and repeated in Amman did not prove feasible or operative. They are: the Middle East Development Bank, the Regional Business Council, the Regional Tourism Board, and the Executive Secretariat; none of them was born at all, or they were still born.

The only engine pushing the whole project is the United States, which is not giving the region priority in its foreign affairs, except when the issue at hand has anything to do with Israel and its security. The Europeans are taking a negative position. They simply resent being excluded from the show except when it comes to financing, otherwise they would have followed the lead of the U.S.

Thus, Europeans are ready to attend conferences and participate in the discussions. As for funding of the American and Israeli creative ideas, it should be shouldered by America, along with the prestige of the political achievements scored by President Bill Clinton. Europeans are excluded to prevent an even-handed approach to the Arab-Israeli issues.

In principle, the Middle East economic summits are meant to be addressed to the private sector. However, Arab and foreign investors did not react. They are not yet forthcoming because they still await the real and comprehensive peace in the whole region which, so far, did not materialise. Israel is still holding to the Palestinian West Bank, the Syrian Golan Heights and the Lebanese southern zone. Palestinians are still in a large prison; 200,000 Arabs in Hebron are not worth disturbing 400 Israeli settlers.

As if all this were not enough, we have a headline government to lead Israel during the coming four crucial years. The extremely slow peace process will become slower, if it will move at all. Barring a miracle, the Middle East peace process is going to die. Economic summits may be among the collateral casualties.

Governance that promotes prosperity is liberal

By Hilton L. Root

MANILA — The path to democracy in South Korea and Taiwan was paved by state institutions that held those who controlled the levers of power responsible for policy results. When elections were introduced, strong party identities had already been established, making party leaders accountable. Elections became an opportunity to "throw the rascals out."

In India, a functioning democracy has evolved that does not have to justify itself by being able to provide economic development. Some critics claim that India's political "maturity" is the reason for many of its economic problems. However, the two are unrelated.

Democracy in India failed to provide basic security for economic rights. As in many developing countries, Indians were prohibited from expatriating their wealth. Civil liberties were protected (citizens could express any opinion they chose) but property rights were limited by rules that prohibited the conversion of wealth into foreign currencies or overseas investments. Firms needed government

licences to make even routine decisions about investing.

In Pakistan, despite a constitutional legacy that provides checks and balances, in practice laws can be amended, and civil servants transferred by executive action. Budgetary allocation can be modified without parliament's consent, the census can be called off, and local elections can be delayed largely due to political considerations.

The enactment of thousands of exemptions to the commercial code allows government in Pakistan to provide selective benefits in firms. Sometimes protection is offered to a particular factory within a given sector, thus distorting competition.

When laws change according to who is in charge, no one's property is secure. Without limits on the power of elected officials, political disputes often take a violent course.

Weak inputs into policymaking, discretionary regulations and the capricious enforcement of property rights help explain why Asia's oldest democracies rank lower in social development indicators. In the United Nations' rating of

173 countries, the Philippines was ranked 99, Pakistan 132, India 135 and Bangladesh 146, lower than many of their more authoritarian Asian counterparts.

Of the larger countries, only Indonesia, which started at a much lower level than the Philippines, performed worse, although better than most south Asian democracies.

The rankings of Asia's most venerable democracies alongside the world's most notorious dictatorships in providing social welfare suggest several compelling generalisations.

The existence of institutions to make politicians responsible for outcomes cannot be assumed just by having procedures for popular participation in elections. The existence of multi-party elections tells

us little that is meaningful about the characteristics of the political systems that preserve free markets. Unfettered government discretion over economic decision making fails to bring about social or economic development in democracies and dictatorships alike.

The missing link that unites democracy with economic performance is liberalism. "Liberalism" is not a term typically found in the language of countries or organisations that provide international aid, but it is the key to what distinguishes those nations that succeed economically from those that fail.

The notion of governance is the bridge to liberalism that will allow international organisations to alter the course of economic change of both democracies and

dictatorships.

The definition of governance that has become most broadly accepted by those organisations whose business is economic development, such as the World Bank and the Asian Development Bank, includes measures to ensure an accountable, predictable and transparent policy environment. This definition, which includes procedures to guarantee that rules governing property rights are fairly and impartially enforced, limits the arbitrary use of state power, hence its essence is liberalism.

States with democratic procedures sometimes develop liberal institutions less quickly than their non-democratic counterparts. If multi-party elections do not necessarily generate a liberal

economic order, then east Asian leaders should not apologise for failing to develop Western institutions during the transition to a market-based economy.

By pressing for good governance, instead of pursuing democracy as an end in itself, countries and organisations that provide international aid may get something they value even more — a firm foundation for democratic practice.

The writer, a senior research fellow at Stanford University's Hoover Institution, is author of "Small Countries, Big Lessons: Governance and the Rise of East Asia". This article is reprinted from the International Herald Tribune.

LETTERS

Gender fair

To the Editor:

WELL, well, another so-called "honour killing" and the murderer gets off with a one year jail sentence, presumably because he killed his two sisters "in a fit of fury" and to "cleanse the family's honour".

What do we deduce from this? That you are permitted to let a temporary fit of anger and "moral indignation" (of course, most of these young men who kill their sisters are towers of moral impeccability) control you so that you can kill a person, no, two persons, in cold blood.

Of course this does not hold in all cases, but only in the case of the killing of women. If there is the slightest suspicion, maybe even a rumour that a neighbourhood kid starts, that your daughter or sister has been fooling around, go ahead and kill her without asking any questions. And it goes without saying that your family and clan will not press charges, in fact they will bail you as a hero.

When the court slaps a mere one-year sentence on someone who kills in this way, it is giving tacit approval to the act, and encouraging more of the same in the future. Maybe they should have awarded him a new Mercedes.

One would only wish there were a way of holding men accountable for their immoral behaviour.

Bob Robertson,
P.O. Box 4105,
Amman.

Shattered dream

To the Editor:

IN THE Arab World the traditional "Ahlwan wa sahlan", the words by which any Arab receives guests, do not represent just an idiom that in time has lost its connotation. By now, as I rightfully came to consider myself a true Jordanian, I have learnt that the welcoming salute of Arabs, and Jordanians in particular, brings out one of the most beautiful and deeply rooted features of the Arab character: hospitality.

Recently, however, I had the misfortune of having to doubt the genuineness of it all.

An unfortunate incident I had with one of the well-respected governmental bodies made me resort to writing about my insignificant encounter with the hard toiling but far from efficient civil servants populating the offices of our governmental institutions.

Like a true Jordanian, I invited a friend of mine who resides in France, to come as my guest to Jordan. Everything was settled to minute details and my friend booked herself for June 12. Yet, unpredictable events always happen, and at the embassy of Jordan in Paris, my friend was asked to apply for an entry visa. She resides in France with the status of refugee and has been granted a French ID and a Titre de Voyage (Travel Document) issued by the French Ministry of Interior, in accordance with the stipulations of the Convention for Refugees of July 28, 1951. A copy of her document which clearly states that the bearer is entitled to travel and enter any country in the world except the country of her birth was filed with the application for visa at the Ministry of Interior in Jordan.

rior in Jordan.

At the time when the application was submitted, the civil servant from behind the counter assured me very politely that the answer would be ready in 14 days. After the elapse of that period, much to my discontent, the answer was negative. The same civil servant informed me of the rejection without giving any sound reasons. However, at my speechless reaction, he mentioned that Jordan does not grant entry visas on such documents. Nevertheless, he claimed he had to receive and forward the application (maybe just to keep other civil servants, his colleagues, busy and justify their salaries) since applications cannot be rejected.

Definitely, I found the reasoning absurd or at least beyond my logical capacity of comprehension. What I comprehended perfectly was that I wasted my time, my friend's time, who had carefully made all arrangements for travelling to Jordan, and so much time of the civil servants' working hours.

How much more simple things could be if, supposedly, there were regulations to ban people holding such travel documents from entering Jordan (and here I would like to mention that my friend's travel document bears entry visas to the U.K. and several other Western European countries, and is a refugee from a former eastern European country, posing as such no threat whatsoever to any of the region's problems) and those concerned were told from the very beginning of these stipulations.

However, the occurrence granted me the chance to have a glimpse at the much respected institution that issues all kind of permits in Jordan, just to realise that the die-hard civil servants seem to cling to old ways and resist change. Can the leopard change its spots?

Years back when I came to Jordan as a stranger I was moved by the simplicity and kind-heartedness with which I was received and adopted. Jordan quickly became my second home. Moreover, it has given me such enormous joy to witness and eventually bring my modest contribution to the positive changes and the successful efforts that have been made towards inducing a quality leap in all walks of life and thrust this country into the 21st century.

So much deeper is my sorrow and grief whenever I am confronted with worrying signs of regression from the tremendous progress that has been made and is still being made in so many fields in Jordan.

Eventually I will have to live with my bitterness and distress at having failed to receive my guest in genuine Arab fashion. I must have been over-optimistic by wishing to welcome her over here, in the blessed land of brave men and holy history, with "ahlwan wa sahlan" and "gahne sada". My dream of making her marvel at the wonders of the old and modern civilisations on the land of Jordan was bound to vanish, broken up by some civil servants eaten by unending suspicion and endowed with an overwhelming propensity to create problems.

Rodica G. Ma'ayta,
Amman.

The Jordan Times welcomes letters and contributions from its readers on any subject they wish to tackle. Letters intended for publication, however, should contain the writer's full name and preferably address as well. Names can be withheld only upon request and under special circumstances. Letters are subject to editing. The newspaper is not responsible for the return of unused manuscripts.

Amman Statement consolidates Japanese-Jordanian relations

Following is the full text of the Amman Statement adopted at the end of a one-day symposium on Japanese-Jordanian relations held in Amman on Saturday, June 8, as part of the Japan Week in Jordan:

IN THE light and spirit of the Tokyo Declaration, the historic document issued at the end of the "Symposium on Japanese-Jordanian Relations: Peace and Beyond: The Roles of Jordan and Japan," convened in Tokyo on May 22, 1995 within the activities of the Jordan Week in Japan, and inaugurated by His Royal Highness Crown Prince Al Hassan Ben Talal and His Imperial Highness Crown Prince Naruhito, the Japanese and Jordanian parties met again to hold "The Symposium on Japanese-Jordanian Relations II: Partnership Towards the 21st Century."

Deliberations and discussions during the symposium confirmed the fundamental rightness of the principles and proposals raised in the Tokyo Declaration. The views of the participants in the symposium, like in the symposium in Tokyo, were basically in accord and complementary to each other in line with the close ties between the two countries.

The symposium was held in Amman, the capital of Jordan, on June 8, 1996, under the patronage of His Royal Highness Crown Prince Al Hassan Ben Talal and His Imperial Highness Prince Takamado. It was organised jointly by the Jordanian Institute of Diplomacy and the Middle East Institute of Japan and sponsored by the Jordanian National Committee for the Japan Week in Jordan and the Japanese National Committee for the Japan Week in Jordan, with the support of both the governments of Japan and Jordan.

Both parties are committed to sustaining peace, prosperity and economic development in the Middle East. Furthermore, a deep interest, on the part of Japan and Jordan, was clearly evident during the discussions of the symposium, particularly with respect to Japan's role in the economic development of Asia and all prospects of future cooperation between the Middle East and East Asia in

the future.

In this respect, the following conclusions have been reached in the symposium:

1. The participants agree that the close friendship and mutual bilateral understanding have been further strengthened and enhanced by the visit of His Imperial Highness Crown Prince Naruhito and Her Imperial Highness Princess Masako to Jordan in January of 1995, the Jordan Week in Japan (1995), Prime Minister Murayama's visit to Jordan (1995), and the Japan Week in Jordan inaugurated this year, 1996, in Amman. The participants strongly hope that all levels of bilateral exchanges and cooperation between the two governments, and the private sectors of both sides, will be invigorated more than ever before in order to consolidate the friendly relations. These close relations of friendship and cooperation between Japan and Jordan are exceedingly significant not only for the benefit of both countries, but also for strengthening

ties between East and West Asia.

2. Efforts to effect peace in the Middle East, to overcome mountainous difficulties, particularly since the two parties last met in Tokyo a year ago, are very admirable. The Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip is an especially remarkable achievement. The great courage and creative initiatives of His Majesty King Hussein Ben Talal and His Majesty's government have contributed to the progress of the Middle East peace process and to the stability of the region. Ensuring a peace based on mutual trust and cooperation and surmounting all stumbling blocks and hostilities are among urgently needed measures in the Middle East. The crucial importance of these goals is clearly evident in the annals of the history of humanity within the framework of creating a more peaceful world. The experience of East Asia, which has achieved great success in its outstanding economic development, shows that global peace and political stability are crucially necessary for continuous economic de-

velopment.

3. The participants highly praised Japan's commitment to supporting the Middle East peace process. In its efforts to contribute to the creation of peace in the global community, Japan provides expertise as well as material and financial support. It is appreciated that the Japanese Self-Defence Forces deployed in the Golan Heights of Syria have contributed to strengthening the United Nations peacekeeping operation.

4. As indicated in the Tokyo Declaration of 1995, respect for democracy and the protection of human rights, principles of political freedom and freedom of thought, and cultural tolerance are vital prerequisites for the enhancement of international cooperation and peaceful coexistence among nations. In this respect, Japan and Jordan have been playing pioneering roles in East Asia and the Middle East. The two countries realise the importance of, and work towards, the spread and expansion of democracy. The participants, in this sense, have placed a high value on the words of His Majesty

King Hussein on the 50th anniversary of Jordan's independence from the British Mandate, promising to continue to support democratic reforms in Jordan.

5. The participants categorically condemn all types of terrorism and unanimously stress the importance of peaceful resolutions of conflicts. All agree that it is necessary to eliminate the factors contributing to the growth of extremism and terrorism.

6. The participants are very much concerned about the recent developments in Israeli politics and hope that the new Israeli government will continue with its commitment to the Middle East peace process, within the framework of the Madrid peace conference, to realise comprehensive peace in the region.

7. The participants believe that the experiences of East Asia clearly indicate that a government's proper macro-economic management, entrepreneurship of the private sector, and close cooperation between public and private sectors are all indispensable prerequisites to economic development. It is noteworthy

in this respect, to hail the Government of Jordan's efforts and achievements in recent years in effecting an open market, privatisation, and tax reform laws. The two countries must play their roles as gateways to their respective regions to deepen economic cooperation between East and West Asia.

8. It is particularly deserving of special mention also that many business leaders and government representatives from around the world who took part in the Middle East/North Africa Economic Summit held in Amman on Oct. 29-31, 1995, under the patronage of His Majesty King Hussein Ben Talal, positively received the development projects in the various fields, including infrastructure, trade, and investment, presented by the regional governments.

9. As a result of the Amman Economic Summit, the establishment of a bank for economic cooperation and development in the Middle East and North Africa, the Middle East-Mediterranean Travel and Tourism Association, a regional business council, and the REDWG

Monitoring Committee Secretariat were announced. These important regional institutions or organisations are expected to carry out an active and vital role in regional economic development. The two countries of Japan and Jordan, in united efforts, must contribute to the founding and development of these institutions. In response to the outcomes of the Amman Economic Summit, it is strongly expected that the third economic summit to be held in Cairo in November this year (1996) will produce further substantive results.

10. The participants of the symposium, confirming their commitment to the fundamental principles and proposals of the Tokyo Declaration to promote friendship and cooperation between the two countries, have mutually agreed to actively promote and support efforts to realise these goals. Participants expressed their hope that these principles and proposals will materialise into tangible endeavours by the two governments of Japan and Jordan and the private sectors of both countries.

Regent outlines Jordan's approach

(Continued from page 1)

of Jordanian peace initiatives as Jordan moves to reconstruct its political, social and economic environment," said the Crown Prince. "Our Japanese friends recognise the great and strategic significance of regional security and stability as well as the pivotal role Jordan can and will continue to play in this context."

"We both firmly believe in peace, liberalisation and market-friendly reforms, multi-party democracies as well as respect for human dignity and human rights," said the Crown Prince.

He noted that Jordan had taken many measures towards liberalising its economy and making the investment climate in the Kingdom attractive to international investors through enhancing the role of the private sector. The Regent also pointed to

the success of the ongoing economic restructuring programme in Jordan and the results that the Kingdom has achieved in macro-economic terms.

He cited the series of economy-related legislation adopted by the Kingdom aimed at enhancing the investment environment and the commercialisation and privatisation of state-owned entities as well as the country's commitment to changing business-related laws such as corporate legislation and customs, anti-trust, and intellectual property right laws.

"At the same time, Jordan needs to do a lot more particularly in terms of formulating a sound industrial policy and this is an area where Japan could strongly help the Kingdom," he said.

"Our emulation of the

Japanese model during the specialised session of this Japan Week in Jordan, our learning from East Asia, our learning from our Japanese counterparts is crucial and invaluable to the success of this industrialisation initiative in the years ahead," he said. "We will follow your lead and we do value your long-standing experience in holding this Japan Week in Jordan."

"We will enhance every moment of benefit in making this a valuable step in our shared learning process."

Following are major excerpts from the Regent's address:

"I believe I speak for all Jordanians when I express my high expectation for the success of the Japan Week in Jordan, and our anticipation of an active exchange of views in rich dialogue, enhancing understanding and consolidating the long-standing affinity between the leadership

of Jordan and Japan, that has led to so many successful partnerships and hopefully will open into more fruitful broad-based cooperation between West and East Asia.

"Our peace treaty with Israel promises the potential of a new born and long awaited initiative. Safeguarding such potential, through mutual respect and cooperation, can yet become a model for cooperation and a regional precursor on which others can build."

"Such an inviting vision of a prosperous and stable Middle East cannot be realised, however, until all the preconditions of peace and security for all are met. The cause and effect domino reaction of recent conflict, from suicide bombings in the heart of Israel to the closures of Gaza and the West Bank and the Israeli attacks on southern Lebanon, all remind us that peace and security in our region can only be achieved through pragmatic steps, with universally tangible and positive impact."

"Last month the Hashemite Kingdom of Jordan celebrated fifty years of its independence. In looking back, we find we have come a long way. Jordan has

worked towards accommodating the needs of a pluralist society. Modern state institutions provide for forging ethnic, religious, and sectarian differences into a more comprehensive social order."

All segments of society are represented in a multi-denominational parliament and all citizens have access to a just and fair judicial system. Our constitution recognises the principle of cabinet responsibility to parliament. Our government continues to steer the media load between the entire spectrum of political affiliations in an approach marked with pragmatism and moderation for the resolution of differences. We believe in the unity of diversity, working on the many similarities between people rather than the few disparities, to weave a more cohesive social fabric. Such an approach has enabled our country to play a stabilising and pivotal role in the politics of the region."

"Fifty-years on, Jordan is still striving towards building-up its

economy and enhancing the quality of life for all citizens at every level. Jordan continues to gravitate towards every means to sustain a stable and peaceful environment in which its citizens can live and thrive."

"Today, Jordan is striving to earn the right to participate in the powerful economic groupings forming across the world. For a small economy like ours to participate in these economic blocs, we must address multilateralism rather than bilateralism. I have previously warned of the emergence of a new world of "each for himself" and I believe that only a new global business ethic, applying not only among elite group members, but also between them and developing economies, can withstand such a threat."

"The key to such working partnerships is consistently defined as mutual interdependence. We should all believe in the fact that cooperation is not a zero sum game. This is why we often bring the new components of "East

Asia" and "West Asia" into play in related discussions. The recent Bangkok ASEM summit was a step in the right direction as far as Europe and the Far East are concerned, but we continue to reiterate that the Middle East must be involved in bridge-building the divide between these two respective regions."

"Japan, from the outset, has been a valued supporter of Jordanian peace initiatives as Jordan moves to reconstruct its political, social and economic environment. Our Japanese friends recognise the great and strategic significance of regional security and stability as well as the pivotal role Jordan can and will continue to play in this context. We both firmly believe in peace, liberalisation and market-friendly reforms, multi-party democracies, as well as respect for human dignity and human rights broadly defined as essential ingredients for prosperity, both within our countries and in the world at large. These ingredients have become integral to our respective nation building initiatives."

"Jordan considers the means of stimulating trade and investment only as the vehicles for the reactivation of our economy. As a government, we are actively working towards creating a climate attractive to international investors, while supporting the tried and tested role of our private sector. We are calling for the harmonisation of our regional legislative structures and policies and the promotion of regional capital markets, the establishment of specialised economic zones, of trade hubs, and the adoption of international standards and quality levels. We believe that a free regional market will be the key to prosperity, hence our efforts to liberalise and dismantle progressively all regional trade barriers."

"In Jordan, we bank on the

continued support of our friends in Japan, in all such constructive endeavours. Strong Japanese representation and participation has been felt. Japanese participation in the Amman MENA summit was clear and a welcome indicator of your commitment and interest in regional investments, thereby contributing to the revitalisation and rehabilitation as well as the reshaping of regional economies."

"Unless all our resources, with the support of the international community, are diverted into the rehabilitation and the rebuilding of the Middle East — away from the long identifiable politics and economics of despair — peace and stability cannot endure. I have often said, Ladies and Gentlemen, that governments can provide the framework of trade and investment. They can help bring about the macro-economic environment attractive to investors, but they cannot provide much more than that basic working structure. The rest can only be achieved through the dynamics of the people within our nation."

"Japan's leading role as a world economic power puts it at the forefront of the international arena and Jordan has always looked to Japan as a powerful ally for peace — and prosperity — in the Middle East."

"I welcome you to Jordan and look forward to continuing the task of building upon the rich relationship between Jordan and Japan, between West and East Asia, into a 21st century of peace and prosperity. Let such a process as that of West Asia learning from East Asia, let such an intellectual exchange continue to forge the model for true global understanding and firm commitment to stability and peace. We are confident that Japan, and all the allies of peace across the globe, share our vision."

Arab summit

(Continued from page 1)

"The three leaders discussed the situation on the Arab arena and decided to seek... the rebuilding of Arab solidarity... to preserve the joint national security and protect the higher interests of the Arab Nation," it said.

"To achieve this goal, the leaders agreed to call for an Arab summit in Cairo during the period... of June 21-23, 1996, and to have President Hosni Mubarak... issue invitations for the participating Arab parties."

Arab leaders have been alarmed by Mr. Netanyahu's refusal to commit himself to giving back occupied Arab territories for peace.

The leaders called upon the United States and Russia, the co-sponsors of the Arab

Israeli peace negotiations, to continue their support to the process which started in 1991. "The leaders stressed confidence in the ability of the Arab Nation to defend its legitimate rights through solidarity and unity," the statement said.

Mr. Netanyahu, who is trying to put together a governing coalition, on Thursday proposed "confidence-building" moves with Syria ahead of a full peace deal although he ruled out a withdrawal from the Golan Heights.

The tripartite meeting in Damascus was the fourth in a series of top-level sessions between Arab leaders since Mr. Netanyahu defeated Prime Minister Shimon Peres, a declared champion of the land-for-peace principle, in May 29 polls. Mr. Mubarak said Arab

leaders would arrive in Cairo on June 21 and the summit would continue through June 22 and 23.

"We will send the invitations to Arab leaders and from today we will begin contacts with them. We will prepare a working document as well as all the necessary documents for the summit," he added.

In their statement on Saturday, Syria, Egypt and Saudi Arabia also urged Turkey to reconsider its military deal with Israel which has prompted sharp criticism from Muslim states.

The statement issued in Damascus expressed deep concern over the accord which, according to Turkish press reports, allows Israeli warplanes to fly over Turkey. "The leaders expressed hope that Turkey adopts a policy which goes in line with

good neighbourly ties, joint interests and respect of Arab interests," the statement said.

"The leaders express their anxiety and concern over the recent Israeli-Turkish deal and demand Turkey reconsider this agreement," the statement said.

Turkish officials have played down the importance of the deal with Israel saying it was only an agreement on training. They said Ankara had signed many similar agreements with other states.

The Turkish-Israeli deal was signed in February by the outgoing government of Mr. Peres.

Western diplomats say the pact was a strong warning to Syria and Iran, which Ankara holds responsible for fostering separatist Kurdish rebels demanding autonomy or independence in southeast Turkey.

King urges Israel to honour agreements

(Continued from page 1)

moves in the times ahead." The King reaffirmed Jordan's support for the Palestinian quest to establish their state. "The Palestinian state is very dear to the hearts of Palestinians and I hope that they will themselves decide exactly what is in their best interest and I hope that they will achieve," he said.

Asked whether he believed that he would see the "rebirth of Palestine in his life time," the King said: "I do believe that Palestinians will secure and will have to exercise their rights on their legitimate soil."

"It is up to the Palestinians to decide whether they will want their independent state, how independent would it be, or (how) the relations will be with others," the King said. "We got the Israeli dimension and Arab dimension..."

Referring to suggestions of a Jordanian-Palestinian confederation, the King said it would be counterproductive to discuss future Jordanian-Palestinian relations now. "We have very close ties,

but there is nothing worse than setting positions in advance... if any one wants to harm relations between Jordanians and Palestinians then he will suggest that," he said.

"If we have any credibility in this world we will use it to help bring about a comprehensive peace in this area and to serve the Palestinian people and let the future take care of itself," the King added. "When people are free, when they are able to think for themselves under different conditions, then we will see how relations will develop."

The King said he was ready to use his "best assets and possibilities" to help bridge the gaps between Israel and the Palestinians in their negotiations.

And "as far as Israel and Jordan are concerned, we are in a state of peace. We recognise it, we will stick to it and adhere to the letter and the word. We will help and believe we have the possibility to do so as much as we can and we hope that the response will be

positive."

The King described any option other than peace as "futile and waste of time and lives."

"It has brought only misery. It has drained resources. It has not given people what is their own right," he said. "I suppose there are those who still try to think of their limited vision of purpose in mind and of destroying any chances for peace, but this will be against the will of the majority who want peace."

His message to the extremists, said the King, is "open your eyes, open your hearts and respect the will of the majority."

The King said it was his dream to contribute "something so that long after I am gone people will say that he did something, he contributed something to a better life, for this region, for this people."

"I refuse to be anything but optimistic and anything but determined to whatever I can towards that...for Jews and Arabs alike," he added.

Hariri

(Continued from page 1)

killing our civilians, the opportunity to come between Lebanon and Syria and take advantage of our differences, if there is any?"

Describing Lebanon and Syria as victims of Israeli aggression, he said: "The least we can do is to join our efforts to get rid of the Israeli occupation. This is the least we can do."

Furthermore, he said, "we are all Arabs. We have common national interests, we have historic relations... we have geographical relations, we have economic relations."

Lebanon is genuinely interested in making peace, he said. "But the question is: Does Israel want peace?"

"So far we don't see any sign that Israel wants peace, a comprehensive, global and just peace..." said the prime minister.

"On the one hand it is talking about peace while on the other it is occupying part of the Golan Heights. This is not peace. There cannot be any peace without Israel withdrawing from the Arab territories."

Mr. Hariri, who took office in 1990 after warring Lebanese factions signed a Saudi-sponsored peace agreement to end the country's 17-year civil war, said his ambitious programme to reconstruct Lebanon was on course.

He said his programme was three-pronged: improving the image of Lebanon and restoring lost credibility, restructuring the country's army and security forces so as to take over South Lebanon and when Israel evacuates the area and rebuild the country's devastated infrastructure.

On the first prong, he noted, he had visited "tens of countries" to improve the image of Lebanon and restore confidence in the country, and, as a result, increased investments are flowing in.

On the second count, he said, "the Lebanese army is strong enough to take over security of South Lebanon if Israel withdraws."

"Our security forces are assuming their roles more and more and the building of the infrastructure is going on," he added. "We have tunnels, we have bridges, we have roads, we have repaired most of the electricity network. We have now the telephones working in most of the country."

"We need more telephone lines, but this is a situation in any country in the world. We are rebuilding and expanding the airport, the sea port, downtown (Beirut), the centre of the city. All these things are under construction and because of all these, the private sector is moving ahead and they are investing."

Lebanese political situation is very healthy and parliamentary elections in September "will give the country a better image than the one before and will strengthen the unification of the country more," he said.

The image of Lebanon as an Iranian-influenced country is "exaggeration," he said.

"As to the presence and activities of the pro-Iranian Hizbollah in Lebanon, which is fighting the Israeli occupation of South Lebanon, he said: "We do not agree with the political programme of Hizbollah. But the reality is that they are there as long as the occupation is there. This is not affecting the country at all. You can go around, you can circulate anywhere. You don't see Iranians. They are here like anyone else, they are not more than anyone else."

Japan Week in Jordan opens

(Continued from page 1)

Mazen Aramouti, president of the Jordanian Institute of Diplomacy and Wasuke Miyake, president of the Middle East Institute of Japan — both representing the organisers of the Japan week — Kazuo Tanikawa, a member of the Japanese parliament, former Jordanian minister Bassam Al Saket, Japanese expert Toshihiko Kinoshita, Kuniyuki Takeda, Goto Ogawa, Ariyoshi Okumura, Yukisama Fukuda, Keiichi Tsunekawa, Tsunoda Takumi and Toshihiko Kinoshita (all of them representing various Japanese institutions) and Jordan's Jawad Al Anani and Wasef Azar as well as senior U.N. official Ali Antiga, an active member of the Institute of Diplomacy.

The Amman Statement, built on a "Tokyo Declaration" adopted at last year's Jordan Week in Japan and which set out a firm basis and mechanism to consolidate Jordanian-Japanese relations, was the culmination of the symposium and was read out by Sharif Jamil Ben Nasser, president of the Jordan-Japan Friendship Association.

The statement said that both Jordan and Japan were "committed to sustaining peace, prosperity and Economic Development in the Middle East."

It said Japanese and Jordanian participants in the symposium "strongly hope that all levels of bilateral exchanges and cooperation between the two

governments, and the private sectors of both sides will be invigorated more than ever before..."

It paid tribute to the "great courage and creative initiative of His Majesty King Hussein" in making peace and in contributing to the peace process.

It also praised Japan's commitment to supporting the peace process and paid tribute to the Japanese contribution of a unit to the U.N. peacekeeping operations in the Golan Heights.

The statement reaffirmed Japan's and Jordan's belief in "respect for democracy and the protection of human rights, principles of human rights, principles of political freedom and freedom of thought and cultural tolerance are vital prerequisites for the enhancement of international cooperation and peaceful coexistence among nations."

Both sides condemned "all types of terrorism unanimously" and agreed that it was necessary to eliminate the factors contributing to the growth of extremism and terrorism.

The Amman Statement, expressed concern over the "recent developments in Israeli politics" and "hope that the new Israeli government would continue with its commitment to the Middle East peace process within the framework of the Madrid peace conference to realise comprehensive peace in the region."

Arab financial markets need reforms, says IMF

ABU DHABI (R) — Arab states need to attract back some of the billions of dollars of capital invested abroad in order to help develop their own financial markets, an IMF official has said.

They should also tighten fiscal regulations and open up to foreign investment, Mohamed Al Erian, deputy director of the International Monetary Fund's (IMF's) Middle Eastern Department, said.

"If you look at the amount of Arab capital that is held outside the region — the estimates range from \$300-\$600 billion — a small amount of that capital coming back can make a difference," he told Reuters.

"It can make a big difference to the growth of financial markets that would fund investment and bring higher production and employment," he pointed out.

He was speaking on the sidelines of a seminar on the development of Arab financial markets held by the Abu Dhabi-based Arab Monetary

Fund. Arab states have launched reform programmes to streamline their economies, some of which are still weighed down by the legacy of socialist policies, and the IMF and World Bank are helping many Middle Eastern and North African countries to cope with the negative social effects of market-oriented reforms.

Mr. Erian said market participants and experts attending the seminar agreed that financial markets could improve the performance of Arab economies.

"There is no denying that the development of the Arab financial markets is an integral part of the vision for growth and development. As someone said, they are the oil in the motor," he said.

But Mr. Erian cited several pre-conditions for developing financial markets in the region.

"We heard the view...that there are a number of market changes that need to be looked at. Openness to foreign participation was viewed as important not only

to bring in capital, enhance economic growth and provide jobs, but also important in terms of the transfer of technology," he said.

He also said that Arab states need to develop a clear payment and settlements system, address the issue of intellectual property rights and offer an attractive tax system.

"Everybody stressed the need for the regulators to have a system that minimised the risk of fraud, that minimised the risk of manipulation. Strong supervision and regulation was viewed as very important," Mr. Al Erian added.

He noted that investors from industrialised countries have placed a minimal amount of cash into Arab states.

"There has been over the last few years a surge in private capital going from industrial countries to developing countries. One per cent of that came to the Middle East. Someone pointed out, it's as if the region was bypassed," he said.

Japan overseas aid rises to \$14.7 b in 1995

TOKYO (R) — Japan's official development assistance (ODA) rose to \$14.72 billion in 1995, up 9.3 per cent from the year before, a senior foreign ministry official has said.

The preliminary figure comprised \$10.55 billion in bilateral assistance and \$4.17 billion in aid via multilateral institutions, all of which had been paid out, he said.

Bilateral assistance consists of grants, technical assistance and government

loans.

It included ODA to East European nations and to the European Bank for Reconstruction and Development, the official said.

On a yen basis, Japan's ODA for 1995 rose to 1.3849 trillion yen, up 0.6 per cent from the previous year, he said.

Currency conversion rates used for the ODA calculation were 94.07 yen to the dollar for 1995 and 102.23 yen for

1994.

ODA accounted for 0.28 per cent of Japan's gross national product (GNP) in 1995, down from 0.29 per cent of GNP in 1994, the official said. GNP is the value of goods and services produced in a given period.

By region, ODA to the rest of Asia was 54.5 per cent of the total in 1995, down from 57.3 per cent in 1994. ODA to Africa rose to 12.6 per cent from 11.8 per cent. Latin America accounted for

10.8 per cent, up from 8.6 per cent.

Japan allocated 44.5 per cent of its 1995 ODA funds and technologies to projects to enhance economic infrastructure in developing nations, up from 41.2 per cent the previous year.

Projects to support social infrastructure took 26.7 per cent of ODA in 1995, up from 23.2 per cent the year before, and those for agriculture 9.4 per cent against 9.6 per cent.

OECD reports subsidy windfall for Europe's farmers

PARIS (R) — Taxpayers in Europe paid farmers \$4.0 billion too much last year to compensate them for expected price falls which did not materialise, the OECD has said.

The giant windfall went to grain farmers who saw market prices soar well above the levels used by the European Union (EU) to fix subsidies, the economic thinktank said in an annual report.

The overpayment was made to compensate them for cuts in guaranteed support

prices even though the market actually rose by three per cent, the report said.

The EU started cutting guaranteed farm prices and shifting support to tax-funded direct payments in 1992 to curb incentives to overproduce, while also preserving a traditional safety net.

"As a result, direct payments were increased in 1995, with the effect that cereal producers benefited from both higher world prices and direct payments," the 27-nation Organisation for

Economic Cooperation and Development said in a report.

Grain prices climbed towards records last year as stocks hit their lowest levels in two decades after a series of droughts. Cattle farmers, who also get compensation for price cuts, did see the market value of their beef sales fall, the OECD said.

Overcompensation for EU grain farmers — the world's second producers of wheat behind China — was not intended when the trade bloc overhauled its farm sector during

an era of low prices, the OECD said.

The total cost of propelling up OECD agriculture rose by a billion dollars last year to \$336 billion, around \$300 for every citizen in the group's 24 main farm nations, the report showed.

For the third year running, non-EU Switzerland came top of the OECD's subsidy league, with aid worth some 81 per cent of the country's total farm output handed out to farmers.

New Indian government to stick with economic reforms

NEW DELHI (AFP) — India's centre-left coalition government pledged to pursue economic reform and welcome overseas investment in infrastructure and industry in its first major policy document unveiled here.

Prime Minister H.D. Devraj Gowda, releasing the "common minimum programme" of his six-party United Front government, said his administration would ensure "speedy implementation of the policies".

outlined in the 25-page document.

The policy document, drafted by the six parties in the coalition including the Communist Party of India (CPI), said "the key to faster economic growth is rapid, labour-intensive industrialisation".

The release of the document was delayed by a day due to differences between the parties, but it appeared to signal a victory for the pro-reform views of Finance Minister Palanippan Chidambaram, an advocate of economic liberalisation.

Mr. Chidambaram, who served in the previous Congress (I) Party government of Prime Minister P.V. Narasimha Rao, had said that the coalition would reach a broad consensus on the free-market economic reforms begun five years ago.

The policy document was largely in keeping with the economic policies begun in June 1991 by Mr. Rao, whose parliamentary support is crucial to the survival of the United Front.

In what was seen as a concession to the communists, it failed to provide a commitment to implementing a liberal "hire-and-fire" policy demanded by foreign investors, particularly Japanese.

It also said that foreign investment would be discouraged in unspecified "low priority areas" but welcomed in infrastructure and industry.

Speaking at a news conference following the release of the document, United Front spokesman Jaipal Reddy said the low-priority areas for foreign investment

would be identified "very soon".

The document said "the United Front is committed to maintain a 12 per cent annual growth in the industry sector."

"This will require massive capital and modern technology, apart from continuing the process of deregulation and decontrol," it said.

Domestic industry would be provided with a "level playing field" to take on foreign competition, it said, but "the nation needs and has the capacity to absorb at least \$10 billion a year as direct foreign investment."

The United Front also said it would consider opening up the state-owned insurance sector to foreign and domestic private players.

"We have allowed private banks but have not privatised nationalised banks," Mr. Reddy said. "That experience can help us in insurance."

The document said a disinvestment commission would be set up to review the

slothful public sector, into which more than \$40 billion have been poured in since 1947 with an annual return on investment of just two per cent.

The document stressed

the importance of improving India's decrepit infrastructure with overseas funds.

"Investment in infrastructure has to be stepped up from the present 3.5 per cent

of gross domestic product (GDP) to at least six per cent of GDP in the next few years," it said.

"There is ample room for all modes of investment — public and private, domestic and foreign," it said, adding that the government was committed to slashing the fiscal deficit to less than four per cent of GDP.

"Growth with social jus-

tice will be the motto of the United Front," the document said. "There is no substitute for growth. The United Front is committed to faster economic growth."

It also said that emphasis would be placed on reforming the agriculture sector. "The agriculture sector cries out for reforms," it said. "The rate of investment in agriculture will be stepped up."

JORDAN TIMES
TEL: 699634/684311



JUMBLE. THAT SCRAMBLED WORD GAME
by Henri Arnold and Mike Argison

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

MYPT E
NAFT I
CLOPI E
YAXTIL

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

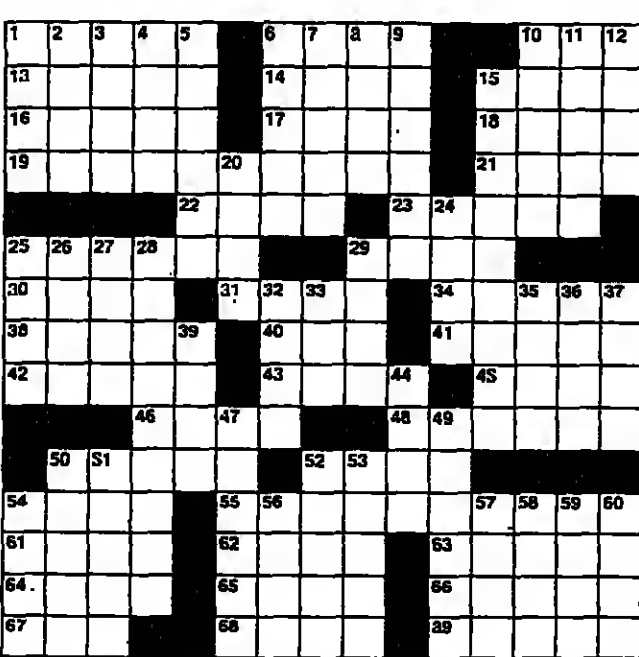
Print answer here: _____

(Answers tomorrow)

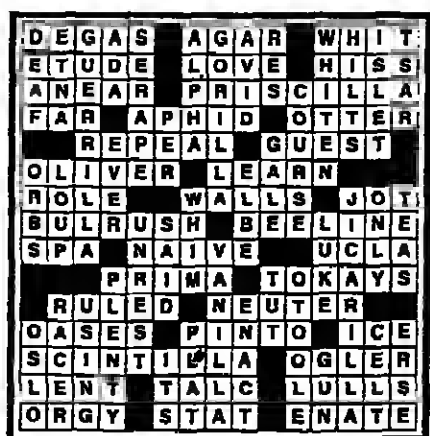
Saturday's Jumbles: GULCH PIKER OUTLET LETHAL
Answer: What the barber gave the tycoon's son — A HAIR CUT

THE Daily Crossword by Dorothy B. Martin

- ACROSS**
- Walking pole
 - Radio amateurs
 - 2100
 - Certain vessel
 - Fencing sword
 - Money for release
 - Stadium
 - Island off Scotland
 - Major
 - Tabor kin
 - Tres —
 - Use a blue pencil
 - Live coal
 - Java or mocha
 - Indigo plant
 - Wings
 - Undiluted
 - Rental agreement
 - Log-birding contest
 - Pride in oneself
 - Plumed bird
 - Conscript
 - Lariat
 - Bator
 - Breezy
 - Helen Hunt
 - Jackson novel
 - Use a diving rod
 - Lather
 - Page of a book
 - Fruit
 - Aleutian island
 - Iroquoian language
 - Snare
 - Abound
 - Ripening factor
 - Wipes
 - Blunder
 - Mother of Castor and Pollux
 - Transmits



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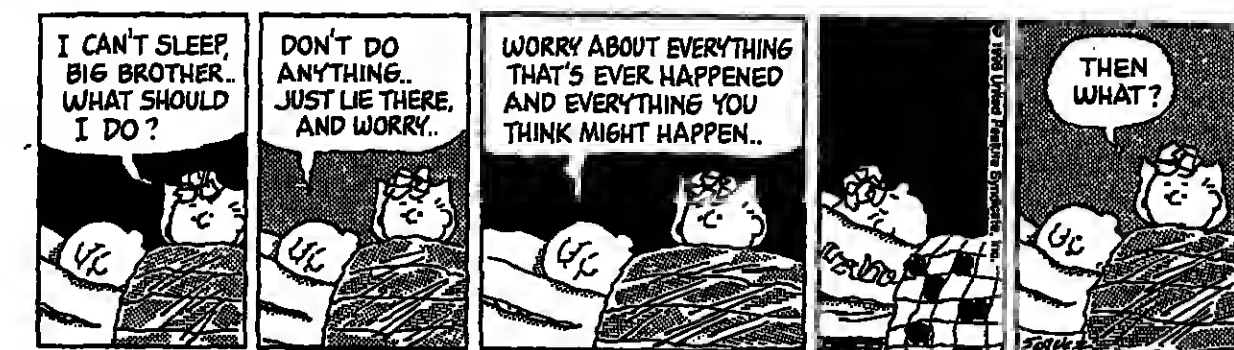
- DOWN**
- Drench
 - Grow weary
 - a song go out...
 - Pre-Easter period

- In the past
- A Guthrie
- Actor Penn
- Sicilian volcano
- Elevator name
- Of an epoch
- Revoke

- Make —(atone)
- Restrain
- Cowboy flick
- Cooked with oil
- Previously owned
- Delayed

- Exhort
- Minute skin opening
- Cut of meat
- Previously owned
- Army chow

Peanuts



Andy Capp



Mutt'n'Jeff



HOROSCOPE

FORECAST FOR
SUNDAY, JUNE 9, 1996
By Thomas S. Pierson,
Astrologer,
Carroll Righter Foundation

ARIES: (March 21 to April 19) Study your obligations today and then you will know how best to handle them. Try to cheer up your mate by doing some small favour or present him or her with some trinket of your affection which will be very much appreciated.

TAURUS: (April 20 to May 20) Don't try to change a fellow associate's ideas in the morning today or there could be tremendous difficulty. An outside matter can be annoying if you do not handle it correctly and make the most of any good opportunities.

GEMINI: (May 21 to June 21) You can't understand how to get others to cooperate with you in the morning today, however later this evening the door to opportunity will be opened to you, whereby every career activity will be highly successful.

MOON CHILDREN: (June 22 to July 21) You are eager for recreation in the morning, however you cannot have it until later in the day. You will need to complete any new projects presented. Drive with care while on the highway this evening.

LEO: (July 22 to August 21) You have to be more objective today if you are to solve the difficulties at home and have harmony maintained. Entertain tonight at home with close friends and fellow associates, however this should be a festive time.

VIRGO: (August 22 to September 22) Study various philosophies which may enrich your life and make the days ahead brighter for you and your loved ones. Later tonight you can spend some time with your mate at your residence and have a romantic evening.

LIBRA: (September 23 to October 22) Don't feel sorry for yourself this morning since today you are better off than you realise. Come to some decision about finances with the assistance of your loved ones who can provide you with some good answers.

SCORPIO: (October 23 to November 21) The morning today does not seem to go right for you want to force some situation, however this is not a good idea since it could cause some difficulty which you are not prepared to handle.

SAGITTARIUS: (November 22 to December 21) In the morning today you want to worry about some difficulty you have, however later tonight you will see how best to handle it through the assistance of some knowledgeable person who will come up with the right answers.

CAPRICORN: (December 22 to January 20) You may have delays today in gaining your aims this morning, however by this evening everything will work out fine. If you consult with a bigwig and your fellow associates you can solve some labour difficulties.

AQUARIUS: (January 21 to February 19) Use care in the outside world today and avoid difficulties and accidents while on the highway. You will accomplish more than you thought possible if you take the advice of some knowledgeable person concerning your career.

PISCES: (February 20 to March 20) Gather the data to need today, and don't go off on any new tangents which are not absolutely necessary. Stick with those you can trust and you will not go wrong, since your instincts usually do not steer you wrong.

Birthingstone of June: Emerald — Citrine

Arab Gulf banks urged to upgrade operations

ABU DHABI (AFP) — Arab Gulf banks should upgrade the traditional activity of providing loans and take part in advanced investment operations to meet competition and support the economy, a senior GCC official said.

But Hamud bin Hashem, chairman of the Omani Central Bank, said governments in the six-oil-rich Gulf Cooperation Council (GCC) must first introduce measures to ensure protection for their banks against new risks.

To a study published in the United Arab Emirates (UAE) economic weekly Al Eqtisadi, Mr. Hashem said development of banking activities in the oil-rich region had become necessary as most member states had joined the World Trade

Organization (WTO) and were involved in economic reforms.

"The Gulf banking experiment has become an inseparable part of the international banking experiment in the present global climate, where we daily see new developments in the banking industry," he said.

"I believe our banks should keep abreast with such developments through the establishment of comprehensive banks with large financial resources and skilled manpower capable of embarking on advanced investment work," he added.

"This also could be achieved through setting up specialised units within the banks or merger between banks and investment com-

panies," Mr. Hashem explained.

Mr. Hashem's proposal is the latest in a series of calls by GCC officials for their banks to merge and diversify activities to face growing competition from emerging large banking units worldwide and support reforms carried out by regional governments to cushion the impact of weak oil prices.

Most GCC banks still concentrate on the traditional banking operations, including providing loans and credits, receiving deposits and investing in international banks and stock markets.

Only a few of them, mostly foreign branches, have started to expand activities by setting up investment

portfolios, and engaging in bond trade and stock-brokerage.

Officials believe GCC banks had the potential to compete with foreign financial institutions given their large resources and strong capital base. More than 120 banks operate in the GCC, with assets of around \$200 billion, nearly one third of the total Arab bank assets.

Mr. Hashem said banks in the GCC, which groups Saudi Arabia, Kuwait, Bahrain, Oman, Qatar and the UAE, must work to strengthen their capital and introduce measures to cover risks arising from the new activities.

"The second condition is that GCC monetary authorities must enforce effective

monitoring and supervision measures which could ensure safety and protection for Gulf banks as they enter advanced banking fields," he said.

Mr. Hashem said the new banking fields covered promotion and contribution to investment opportunities in the region, purchase and sale of new shares, advising on shares floated by new companies, managing local and international investment portfolios for their customers, and encouraging borrowing for financing share transactions for dealers and stockbrokers.

Banks could also set up joint investment funds to absorb domestic liquidity and engage in stock trading by

converting their loans into bonds.

"The switch to such advanced operations is extremely important at the current stage as most GCC states have joined WTO and are carrying out economic reform programmes, including improvement of investment laws, development of their stock markets and privatisation of public institutions," Mr. Hashem said.

"We expect from our banks in the coming stage to start indulging in the business of investment banks along with their present traditional activities. This will provide substantial services to the GCC financial markets."

DAILY

A review of news from the Arabic press

Halaqiah clarifies reason behind Israeli barriers to minimise Jordanian exports to Palestine

★ ★ "THE PALESTINE market is a big cake for the Israeli economy and the figures that used to leak out about the Israeli export volume to that market was misleading," Mohammad Halaqiah, director-general of the Jordan Export Development and Commercial Centres Corporation, said in an interview. "At the beginning we used to talk about \$700 million a year but after investigation, it was found that the Palestinian market absorbs \$2.5 billion of Israeli exports each year." This finding was a surprise and provided the explanation why the Israelis were keen to put barriers to the flow of Jordanian exports to the Palestinian market under the pretext of "security," Dr. Halaqiah said.

He pointed out that Palestinian importers have obtained licences from the Palestinian National Authority (PNA) to import \$45 million worth of products from Jordan until mid 1996 but only \$16 to \$18 million of that amount was actually executed because of transportation problems at the bridges. He clarified that most of the import licences obtained from the PNA was in accordance with the Jordanian-Israeli trade accord and not the Jordanian. Palestinian trade accord which specified having a customs union enabling them to import from the Kingdom based on Israeli agreements.

Asked about the main barriers from a Jordanian point of view, Dr. Halaqiah indicated that the Kingdom's exports to the Palestinian market face administrative and technical obstacles which should be removed and that the Palestinians should seek to expand the list of products agreed with the Israeli side to allow it import more from Jordan and the Arab countries. Responding to query about the reason for not implementing the trade agreement between Jordan and Israel Dr. Halaqiah replied that the accord was not signed long ago and "we still need to work on promoting Jordanian exports in Israel and have more contacts between businessmen from the two countries" (Al Aswaq).

Despite booking record profits from lending and other core banking business due to the fall in interest rates, stepped up write-offs of problem loans to failed "jusen" housing loan companies and other firms took a heavy toll.

The three long-term credit banks nearly tripled bad debt write-offs at the parent level in 1993 billion yen from 676.23 billion a year earlier to restore soundness to their balance sheets, officials with the banks said.

"We reckon that (our) bad debt problem peaked out, and it is now heading in final settlement," an IBI official said.

Officials elated significant rises in operating profits as the main factors enabling them to boost the amount of bad debt write-offs.

Among the trust banks, the worst result was seen at Sumitomo Trust and Banking Co. Ltd., ranked second in its sector. It had a consolidated pre-tax loss of 293.8 billion yen, against a profit of 11.5 billion yen a year earlier.

Gammoh finds prices of foodstuffs pressuring rise in cost of living

★ ★ INFLATIONARY PRESSURE on the Jordanian economy has increased by about 8.0 per cent during the first two months of this year as a result of higher food prices at the sources of supply, businessman and former Finance Minister Sami Gammoh has said. He indicated that the cost of living index with regard to foodstuffs has risen to 9.1 per cent.

According to statistics from the Central Bank of Jordan, Jordan's import bill during the first month of this year amounted to \$345.6 million compared to \$280.6 million during the same month of last year. The \$65 million increase, which was mainly in the foodstuffs bill, represented a rise of 23.1 per cent. The cost for the imported food products amounted to \$64.4 million, 70 per cent higher than the figure during the month of January last year. Mr. Gammoh noted that a Jordanian family allocates 40 per cent of its expenditure to spending on food according to the weights given in the index for measuring cost of living in Jordan (Al Aswaq).

Japan's banks report massive losses

TOKYO (AFP) — Japan's 10 major trust and long-term credit banks have purged their books, taking on massive losses to help clear bad debts plaguing Japan's financial system.

They reported losses of 1,593 billion yen (\$15.03 billion) in the year to March. The losses among the seven trust banks and three long-term credit banks — caused by massive debt write-offs — poured further red ink into Japan's banking system.

The country's 11 city banks had already posted combined losses of 1,667 billion yen.


Total consolidated pre-tax losses for the 21 banks came to 3,260 billion yen, or \$31 billion, for the year to March, induced by the mountains of bad debt they sought to erase from their books.

All expected to return to the black this year, hoping to have turned the page from a dark chapter in Japanese financial history caused by virtually unfettered lending during the speculative "bubble economy" of the late 1980s, the bursting of which sent property prices crashing and bad debt surging.

The bad-debt stigma has earned the financial system a so-called Japan-premium in which Japanese banks seeking to borrow abroad are penalised with higher interest rates.

Among the long-term credit banks, sector leader Industrial Bank of Japan Ltd. (IBJ) said it had a consolidated pre-tax loss of 142.5 billion yen, compared with a profit of 55.77 billion yen a year earlier.

Long-Term Credit Bank of Japan Ltd. reported a loss of 67 billion yen after a profit of 13.8 billion yen a year earlier, while Nippon Credit Bank Ltd. said it lost 126.5 billion yen, against a year earlier profit of 13.1 billion yen.

ARABIAN FINANCIAL MARKET											
ORGANIZED MARKET SHARE PRICE LIST FOR SATURDAY 06/06/1996											
											
DATE	12 MONTHS	COMPANY'S NAME	P / X	DIV.	NO. OF	NO. OF	VALUE	OPEN	CLOSE	CHANGE	
1996	1995				SHARES	SHARES	TRADED	PRICE	PRICE		
250.000	205.000	ARAB BANK	12.2	1.87	5	180	40000	222.00	222.80	1.80+	
4.800	4.180	JOR. NAT. BANK	13.1	3.23	4	2850	12121	4.97	4.92	-0.05	
2.700	2.250	INDUSTRIAL DEV. BK.	5.1	6.24	7	1648	3645	2.24	2.23	-0.01	
2.700	2.250	THE ECONOMIC BANK	11.7	3.14	8	3772	14827	4.36	4.29	-0.07	
3.040	2.600	JOR. NAT. BANK	12.8	0.00	4	248	1264	2.96	2.74	-0.22	
1.440	1.920	JOR. NAT. BANK	8.8	7.22	16	11750	1128	8.97	8.97	-	
4.000	3.700	ARAB BANK	12.8	0.00	2	1500	9550	3.70	3.70	-	
4.800	3.200	JOR. NAT. BANK	15.1	0.00	12	13343	53091	3.88	3.88	-0.01	
4.000	2.000	JOR. NAT. BANK	9.1	0.00	5	10780	20476	2.00	1.90	-0.10	
1.210	1.410	ARAB BANK	9	0.00	27	52250	33390	1.43	1.44	0.01+	
BANK SECTOR TOTALS											
INDEX: 176.84			CHANGE: +0.46			98			100000		
2.910	2.300	JOR. NAT. BANK	6.8	4.70	2	2250	5178	2.30	2.30	-	
INSURANCE SECTOR TOTALS											
INDEX: 123.98			CHANGE: 0.00			3			2269		
1.900	1.930	JOR. NAT. BANK	10.8	7.68	24	20078	31033	1.56	1.56	-	
2.610	1.190	NATL. PORTFOLIO	9	0.00	6	2400	2382	1.33	1.37	0.04+	
3.660	3.090	ARAB NATL. INV. CO.	12.7	6.23	8	2800	7981	2.14	3.21	1.07+	
2.540	1.870	UNION CO.	10.7	4.90	8	1600	3289	2.01	2.04	0.03+	
1.250	1.820	UNION BANK	8	0.00	6	1600	1633	1.01	1.02	0.01+	
SERVICE SECTOR TOTALS											
INDEX: 116.84			CHANGE: +0.62			61			28158		
1.380	2.170	ATTAHMER	9	0.00	2	3000	2730	1.28	1.28	-	
3.950	2.270	JOR. NAT. BANK	19.7	2.90	27	8123	27807	3.33	3.48	0.15+	
3.550	2.900	JOR. NAT. BANK	21.7	0.00	2	850	2506	3.00	2.93	-0.07	
5.940	4.750	ARAB BANK	14.0	2.79	4	650	3425	6.20	6.28	0.08+	
10.770	8.950	JOR. NAT. BANK	13.8	8.94	30	2368	23245	10.66	10.10	-0.56	
8.400	7.100	JOR. NAT. BANK	9.0	0.00	3	1050	7306	7.10	7.03	-0.07	
5.460	3.410	ARAB BANK	19.3	3.71	39	6338	20382	3.41	3.50	0.09+	
3.360	1.620	RAJIA INDUSTRIES	9	0.00	2	650	1079	2.48	1.66	-0.82	
8.250	4.710	RAR ALBANK	14.4	2.81	1	5200	621	6.80	8.24	1.44+	
6.260	4.180	ARAB BANK	6.5	8.49	2	150	621	2.16	4.13	1.97+	
7.40	4.30	LIVESTOCK & POULTRY	9	0.00	68	201200	114374	8.8	8.8	-	
1.500	1.180	ARAB BANK	8.3	8.49	9	2400	2916	1.28	1.22	-0.06	
2.850	1.220	NATIONAL STEEL IND.	9	0.00	1	500	615	1.24	1.22	-0.02	
1.450	1.820	NATIONAL STEEL IND.	13.1	7.23	8	7450	6120	8.2	8.3	0.10+	
2.670	1.050	INDUSTRIAL DEV. BK.	0.00	0.00	41	12089	16980	1.39	1.42	0.03+	
1.240	0.00	JOR. NAT. BANK	9	0.00	4	2250	2355	1.01	1.06	0.05+	
5.090	2.660	NATL. BANK	21.1	0.00	2	500	7222	3.53	3.46	-0.07	
2.770	1.950	JOR. NAT. BANK	9	0.00	2	6000	1000	2.00	2.01	0.01+	
2.410	1.000	ARAB BANK	12.1	0.00	26	10500	12813	2.83	2.83	0.00	
2.430	2.180	IND. BANK	19.6	7.77	74	9200	13051	2.48	3.31	0.83+	
2.320	1.380	JOR. NAT. BANK	19.6	0.00	49	14960	22827	1.62	1.55	-0.07	
2.000	1.000	JOR. NAT. BANK	32.2	0.00	114	86420	65084	1.13	1.19	0.06+	
2.500	1.780	IND. BANK	0.00	0.00	14	6981	12821	1.79	1.87	0.08+	
1.560	1.180	IND. BANK	29.4	0.00	4	1100	1386	1.24	1.26	0.02+	
INDUSTRIAL SECTOR TOTALS											
INDEX: 112.97			CHANGE: +0.39			466			346278		
GRAND TOTAL											
INDEX: 144.56			CHANGE: +0.39			628			478733		
PARALLEL MARKET SHARE PRICE LIST FOR SATURDAY 06/06/1996											
1.380	1.060	SARA FOR INVESTMENT	26.3	0.00	3	750	1008	1.38	1.34	-0.04	
1.000	0.750	UNION INV. CO.	76.5	0.00	7	3100	1533	1.60	1.60	-	
35.100	35.100	JOR. NAT. BANK	2.4	2.71	1	500	10430	35.10	34.86	-0.24	
1.900	1.090	UNION INV. CO.	0	0.00	6	4700	2761	58	59	0.01+	
1.110	0.650	ARAB BANK	0	0.00	9	30000	23400	1.00	1.09	0.09+	
1.330	1.480	NAT. BANK	0	0.00	9	3880	2616	68	68	-	
0.850	0.820	ARAB BANK	0	0.00	4	2788	4283	1.84	1.83	-0.01	
1.100	0.700	NAT. BANK	0	0.00	18	360	362	0.62	0.62	-	
2.150	1.800	JORDAN STEEL	0	0.00	12	13350	10070	0.76	0.76	-	
1.350	1.100	SEVEN TOWNSHIP 751	0	0.00	1	500	8780	1.21	1.20	-0.01	
1.030	0.600	RAR ALBANK	0	0.00	11	21150	4036	0.72	0.72	-	
0.970	0.500	IND. BANK	35.1	0.00	12	3213	3241	0.67	0.67	-	
1.320	0.800	IND. BANK	0	0.00	7	2387	2107	0.69	0.69	-	
1.020	0.600	IND. BANK	0	0.00	4	273	188	0.69	0.69	-	
1.400	0.600	IND. BANK	0	0.00	20	21700	1478	0.68	0.68	-	
GRAND TOTAL											
120			109478			308742					
1. New 12 months high 2. New 12 months low 3. Stock divided during the past 12 months 4. Listed during the past 12 months 5. P/X ratio is 100 or more 6. Negative P/X 7. Barring 12 price or P/X for the most recent year											

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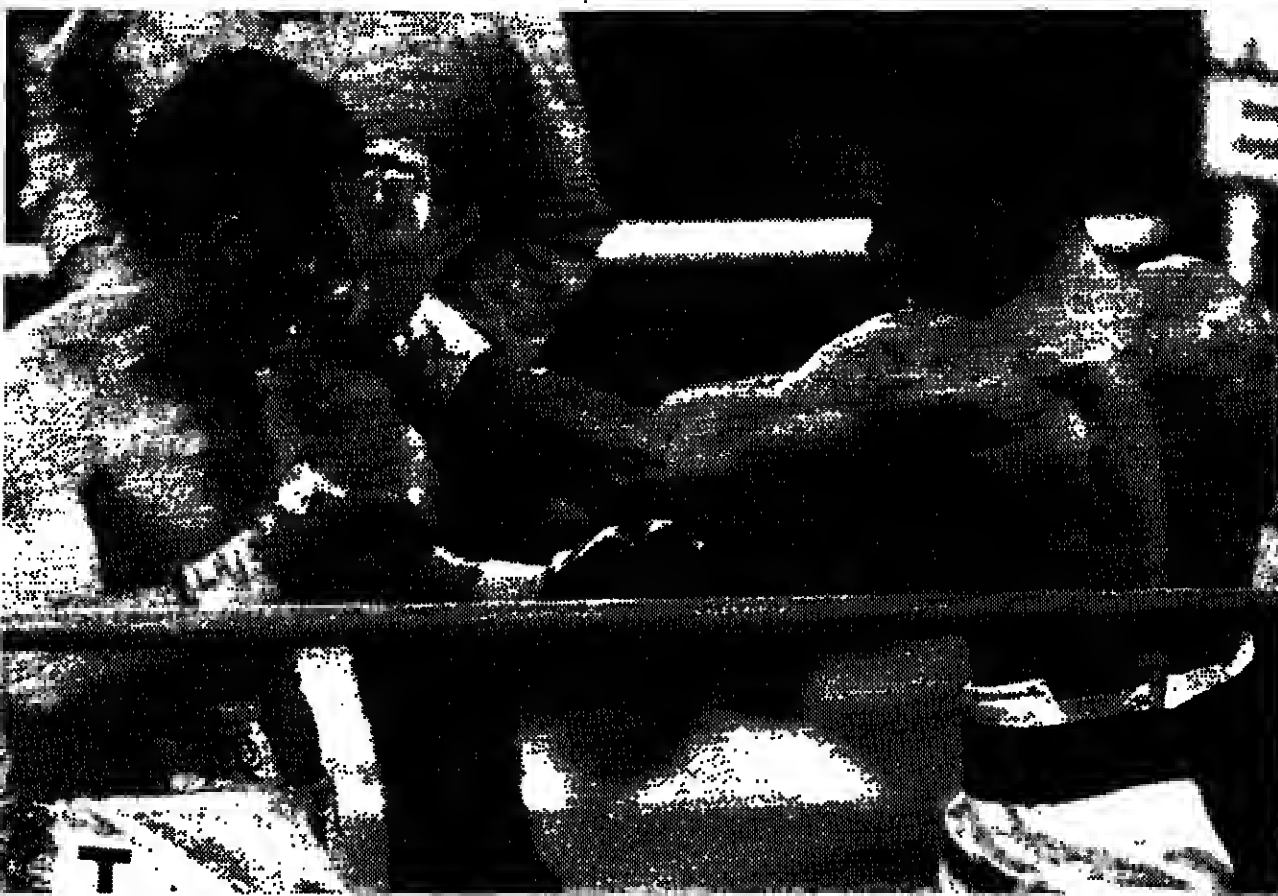
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Oscar De La Hoya, (R), lands a left on Julio Cesar Chavez at Caesars Palace in Las Vegas, June 7. De La Hoya took the WBC super lightweight title after the fight was stopped in the fourth round (Reuters photo)

De La Hoya stops Mexico's Chavez in the 4th round

LAS VEGAS (R) — American Oscar De La Hoya assumed the mantle as the best Hispanic fighter in the world by bloodying and stopping Julio Cesar Chavez of Mexico at two minutes and 37 seconds of the fourth round Friday to win the World Boxing Council super lightweight championship.

De La Hoya, hailed as Chavez' heir apparent because of his combination of youth, size, power and speed fulfilled that potential with the convincing, one-sided win.

The end came at 2:37 of the fourth round when referee Joe Cortez halted the bout on the advice of ring physician Flip Homansky.

The 23-year-old De La Hoya from Los Angeles opened a cut over Chavez' left eye in the first round. In the fourth the American carved new gashes around Chavez' eye, prompting Cortez to ask Homansky's advice and he stopped the fight.

Chavez brought experience, guile and his usual relentless attack. But he also brought the pounding of 16 years of ring wars.

De La Hoya took full advantage of his superb hand speed and the "age differential." Chavez never hurt De La Hoya, while the American got better as the bout progressed. De La Hoya, now 22-0 with 20 bouts ending early, prevented Chavez from getting inside where he is most effective with stiff and swift left jabs.

By the fourth round, De La Hoya was throwing left hooks, not just jabs, followed by combination rights, most of them finding Chavez' face, turning it, and the Mexican's white trunks, crimson with blood.

De La Hoya, who won all three rounds on the three judges' scorecards, landing 94 punches compared to just 35 for Chavez.

It was the most convincing win for De La Hoya, who won

the International Boxing Federation lightweight championship last year and the most crushing defeat for Chavez.

Chavez, who now has a record of 97-2-1 with 79 bouts ending early, was over a threat to De La Hoya as the fight progressed to its inevitable conclusion.

"I knew if he got injured, he'd be in trouble," said De La Hoya, who won a gold medal at the 1992 Barcelona Olympics.

"When my left hook caught him and broke his nose, and I think I felt it break, I knew I had him," said De La Hoya. De La Hoya, 139 (63 kg), cut Chavez late in the first round and reopened the cut at the start of the next three rounds.

De La Hoya turned the occasion of Chavez' 100th professional fight in his 16-1/2-year career from a Mexican celebration into his personal coronation.

"He's an idol of mine," said De La Hoya. But Chavez now is an idol for whom his best days are past.

He was too slow to land his powerful lefts to the body and rights to the head. This despite pre-fight claims from Chavez that he was in the best shape in years he weighed in at 139, the lightest he's been since 1992.

De La Hoya said he next wants to fight WBC welterweight champion Pernell Whitaker of the United States and then IBF counterpart Felix Trinidad of Puerto Rico.

De La Hoya, who closed as an 11 1/2-to-5 favorite received \$3.85 million and Chavez \$9 million.

Chavez won his first world championship, the WBC super featherweight title, in 1984. He went on to add the WBC and World Boxing Association lightweight titles and then the WBC 140-pound (63.5 kg) crown.

Fernandez, Ventura take Chicago past Baltimore

BALTIMORE (R) — Alex Fernandez pitched a complete game to pick up his first win in a month and Robin Ventura homered and drove in three runs as the Chicago White Sox cruised to an 8-2 victory over the Baltimore Orioles on Friday.

In Boston, Jose Canseco hit two, two-run homers and Jim Mauer had a two-run shot and drove in three runs as the Boston Red Sox erased a six-run deficit and rallied for a 10-7 victory over the Milwaukee Brewers.

In Cleveland, Jack McDowell allowed three hits over eight innings and Jim Thome and Omar Vizquel each had two hits and drove in two runs as the Cleveland Indians handed the California Angels their fifth straight defeat 4-3.

In Detroit, Travis Fryman's two-out loop single to right field scored Curtis Pride from first base and lifted the Detroit Tigers past the New York Yankees 6-5, giving them their first home victory in more than a month.

In Kansas City, Jose Offerman had three hits and drove in three runs to lead the Kansas City Royals to a 9-5 win over the Seattle Mariners, despite the first-

inning tirade and ejection of starter Tim Lincecum.

Belcher and manager Bob Boone were ejected from the game after two outs in the top of the first inning for arguing about pitches thrown to Ken Griffey Jr.

At Minnesota, Mark McGwire and Phil Plantier hit solo homers and Carlos Reyes tossed three scoreless innings in relief as the Oakland Athletics snapped the Minnesota Twins' season-high five-game winning streak with a 6-4 victory.

At Texas, Dean Palmer had a bases-clearing double in a five-run first inning and Rusty Greer also drove in three runs to lead the Texas Rangers to a 10-7 win over the Toronto Blue Jays.

Will Clark and Darryl Hamilton each added three hits and an RBI for the Rangers.

Rockies rake Braves

Ellis Burks, Eric Young, Dante Bichette and Vinny Castilla combined for 14 hits and 11 RBI to pace a 21-hit attack and lead the Colorado Rockies to a 19-8 demolition of the Atlanta Braves and ace Greg Maddux on Friday.

Burks drove in four runs and had three hits. Bichette

had three hits and three RBI. Young drove in three runs with a pair of hits, and Castilla had a three-hit game.

Every Rockies starter had at least two hits. In Chicago, Jeff Fassero came within an out of his second complete game and F.P. Santangelo drove in three runs as the Montreal Expos used a pair of big innings to post a 9-3 victory over the Chicago Cubs.

Fassero (5-5) allowed three runs and five hits with two walks and eight strikeouts. "I had a good slider and that really set my fork-hall up today," Fassero said.

In Houston, Jeff Bagwell and Derek Bell each homered and drove in three runs and Orlando Miller had three hits and two RBI to lead the Houston Astros to an 11-5 victory over the Philadelphia Phillies.

In Los Angeles, John Smiley allowed five hits over seven scoreless innings and Bret Boone doubled twice and drove in a run as the Cincinnati Reds edged the Los Angeles Dodgers 2-1. The Reds won for just the sixth time over their last 19 games, handing the Dodgers their third loss in four games. The Dodgers entered the game tied for

last in the N.L. with a .243 batting average.

In New York, Terry Pendleton went 4-for-4 with a pair of RBI and Devon White capped Florida's seven-run seventh inning with his fourth career grand slam as the Marlins cruised to a 12-2 rout of the New York Mets for their 19th win in 27 games. Starter Al Leiter (8-4) allowed two runs and scattered eight hits over six innings for the win.

In San Diego, Zane Smith's first shutout in nearly two years and Orlando Merced's two-run homer highlighted a three-run first inning as the Pittsburgh Pirates blasted the San Diego Padres 10-0. Smith (4-5) allowed six hits and two walks with three strikeouts. It was his first shutout and complete game in two years.

In San Francisco, Brian Jordan and Luis Alicea each drove in two runs and Andy Benes pitched 7-2/3 strong innings as the St. Louis Cardinals won for the seventh time in eight games with a 9-4 victory over the San Francisco Giants. Gled and John Mabry went 3-for-3 with a walk for St. Louis.

NBA commissioner announces 50th anniversary promotion

CHICAGO (R) — Commissioner David Stern has announced that the NBA's mighty promotional machine, heretofore geared to roll forward only, will add a rear-view mirror to celebrate the league's 50th anniversary next season. Stern, in his usual state of the NBA remarks during the finals, also said the National Basketball Association's 1995-96 season was generating some \$1.4 billion in gross revenues. That is a healthy rise from the previous year's \$1.1 billion.

"Things really couldn't be better," Stern said, noting that the current championship series which began Wednesday had attracted 1,200 media from 34 countries with the games broadcast to 167 countries in 40 languages.

He said it was "50 years to the day" since the league was formed. On June 6, 1946, a dozen men met at New York's Commodore Hotel to plan the creation of the Basketball Association of America, the predecessor to the NBA.

The anniversary celebration, with the legendary Julius Erving as its

spokesman, will also honor the legacy of the late American Basketball Association, which once was the NBA's hated rival — in no small measure because the ABA outbid the older league for Dr. J. The ABA was "very much part of our tradition," Stern said with the magnanimity of a victorious general.

On October 29, a 50-member panel's choices as the 50 greatest players of all time will be announced and on November 1, the first day of the NBA season, the New York Knicks and second-year Toronto Raptors will honor the Original League's first game, between the Knicks and the then Toronto Huskies. The Knicks and the Boston Celtics are the only teams left from the 11 who played in 1946. A variety of other promotions including a ubiquitous "NBA at 50" logo, a television documentary and — of course — retail versions of "retro" uniforms are also planned. The observances will culminate at the 1997 all-star weekend February 6-9. Stern said the NBA had long had its eye only on "survival and

growth" but could now afford to look back, adding "richness and texture" to the league.

Stern and Erving also said they hoped to educate current players who are ignorant of the stars who made the league.

The Orlando Magic's young superstar center Shaquille O'Neal, for example, has been reported out to have known that Atlanta Hawks and 1996 U.S. Olympic coach Lenny Wilkens, who has won more games than any other coach in NBA history, also was a hall of fame player.

"There's an old saying," Erving said, "a tree without roots cannot stand." "We call it the NBA family," Stern said, "but I think it's time to focus on the tree. We just haven't done as good a job as baseball has done in remembering past greats of the game. Financially, however, he said the NBA was doing about the same as Major League Baseball in revenues, with the National Football League more than double them at about \$3 billion. He estimated that 10 to 15 percent of the NBA's

gross merchandising revenues came from foreign sources and 8-10 percent of its television income came from abroad.

For all the rosin of the economic picture, however, one very dark cloud remains on the horizon. Formalizing an agreement in principle on a labor contract is on hold as the players' union challenges it through several legal channels. "The current state of affairs is that we're not making any progress in the last few months," said League Deputy Commissioner and Chief Operating Officer Russell Granik. "The union keeps taking more and more extreme positions," he said. The league wanted to enact "the agreement we think we had" despite changes sought by the union, the majority of whose members had voted down a decertification campaign led by a group of players including megastar Michael Jordan and a few agents. Stern and Granik said the league was keeping all its options open, including a lockout, pending results of the legal battles and future negotiations.

Bulls take 2-0 finals lead over Sonics

CHICAGO (R) — Michael Jordan scored 29 points and Dennis Rodman, of all people, was the steady factor as the Chicago Bulls hung on for a 92-88 victory over the Seattle SuperSonics Friday and a 2-0 lead in the best-of-seven NBA finals.

Rodman, the Bulls' resident alien badboy, snared a whopping 20 rebounds — a finals record-tying 11 on the offensive end — while scoring a surprising 10 points, and made the free throw that finally sealed the win.

"Give Dennis Rodman his due, he had a hell of a game tonight. He was probably their MVP," said Seattle coach George Karl.

"Dennis kept getting the ball back for us and that was important," said Chicago coach Phil Jackson.

Jordan added six rebounds, eight assists and two steals while Scottie Pippen contributed 21 points, seven rebounds, two assists, two steals and two blocked shots for Chicago.

For Seattle, Shawn Kemp equalled Jordan's 29 points while grabbing 13 rebounds. Hersey Hawkins was next high with 16 points.

The Bulls almost let the game slip away in the final nine seconds. Up by just three points at 91-88, Pippen missed two foul shots, the first one off the back rim and the second feebly short off the front. But the scramble for the rebound resulted in a jump ball between Rodman and Sam Perkins.

The referee had to try three times to get a clean toss and jump, and Rodman finally tipped it back to a cluster of teammates who baited the ball around and back to him before a foul sent the rebounding specialist to the line with 3.7 seconds left.

The Bull with the crazy-quit hair and multiple body piercings missed his first shot short, but made the second to put the game out of range of a three-pointer. Rodman then thrust his fist into the air in triumph.

Chicago led by as many as 13 points early in the fourth quarter but the Sonics chipped away, propelled by Kemp's 10 points, while limiting Jordan to five, and won the final period 23-16.

Ron Harper scored 12 points and Toni Kukoc 11 for Chicago while Schrempf had 15 and Gary Payton and Sam Perkins scored 13 apiece.

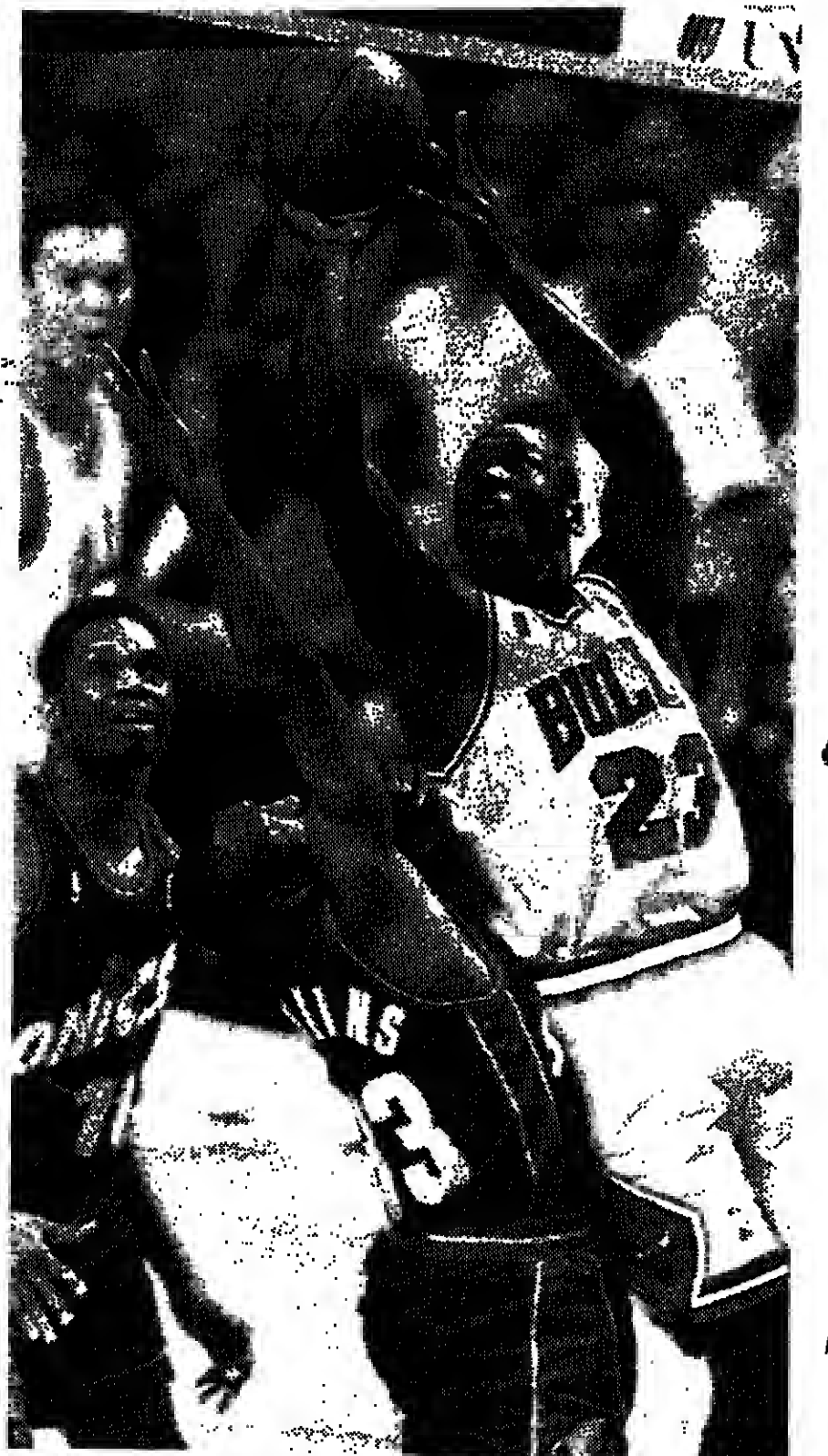
The Bulls used a 10-1 lead — with eight of the points supplied by Kukoc — to close the third quarter with an 11-point lead, 76-65.

The period was nip-and-tuck until Jordan put the Bulls up for good with two free throws to make it 56-54 at 8:14 of the period.

Ten points later for each team, Kukoc hit back-to-back three-pointers around a Kemp free throw to put Chicago up 72-65.

Pippen then dunked after stealing on the press.

The next score came when Jordan



Chicago Bulls guard Michael Jordan (R) shoots over Seattle guard Hersey Hawkins during the first period of game two of the NBA Finals in Chicago, June 7 (Reuters photo)

found Kukoc alone under the basket and the Croatian swingman slammed it home to make it 76-65 going into the fourth quarter.

Rodman scored eight soeaky points in the third quarter, his first points of the game, on 3-for-4 shooting from the field and 2-for-2 from the line to equal Kukoc as the high scorer in the period. The Sonics used a 7-0 run midway

through the fourth quarter to cut the margin to 80-74 at 7:05. After that, four times they had the margin down to four and the one time to three on two Kemp free throws before Rodman's clinching free throw.

Seattle led by four after the first quarter, 27-23, but Chicago went up by a point, 46-45, at the half. Game 3 is on Sunday Seattle.

<p>TODAY AT</p>	<p>PHILADELPHIA Before Sunrise Shows: 12:30, 3:30, 6:15, 8:30, 10:30</p>	<p>PLAZA Farouq Fishawi & Aidah Riad 7th SIN Arabic Shows: 12:30, 3:30, 6:30, 8:30, 10:30</p>	<p>CONCORD "1" Clint Eastwood & Meryl Streep in The Bridges of Madison County Shows: 12:30, 3:30, 6:15, 8:30, 10:30 CONCORD "2" *Natural Born Killers Shows: 3:30, 6:15, 8:30, 10:30</p>	<p>Will Shortly present Zawad Weld Awad theatre group in a play entitled Five-Star Government Starring comedians: Mahmoud Saimeh & Hussein Tubeishat</p>	<p>Nabil & Hisham's Theatre PRESENTS THE SATIRICAL COMEDY Arab Human Rights Starts Monday, May 13 at 8:30 p.m. For reservation please call 625155 - 640155</p>
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Steffi Graf of Germany (left) holds the French Open trophy after defeating Arantxa Sanchez-Vicario (right) at Roland Garros stadium, June 8th. Graf defeated Sanchez-Vicario 6-3 6-7 10-8 (Reuters photos)

French Open Graf retains title in longest-ever final

PARIS (AFP) — There were tears and smiles from all sides as Germany's defending champion Steffi Graf won the French Open singles title for a fifth time here on Saturday.

The 26-year-old German player survived a major mid-match crisis to beat her old rival Arantxa Sanchez-Vicario of Spain 6-3, 6-7 (4/7), 10-8 in the longest and most thrilling final in tournament history.

Played in front of 17,500 entranced spectators, it took 40 games and 3hrs 03 minutes to separate the two players.

The previous longest final was in 1955 when Britain's Angela Mortimer needed 58 games to beat Dorothy Knode of the United States.

After receiving the coveted trophy from Spain's international Olympic Committee President Antonio Samaranch, Graf nervously spoke to the crowd in French for the first time in fourteen visits to the championships — to thank them for their support.

"You made it very special for me to be out here," she told them.

She also paid a warm tribute to her opponent — saying that she too had been beaten 10-8 in the last set of a final here (by Monica Seles in 1992) but had come back to win. She hoped Sanchez-Vicario would do the same.

Graf also thanked her supporters in the players' box who included mother Heidi and Swiss coach Heinz Guntardt — but when she ended by also thanking "my father back home" she had to choke back tears.

Graf's father, Peter Graf, her former financial advisor and business manager, has been in prison on tax evasion charges since last August.

Sanchez-Vicario was also in tears at the end of the match as she congratulated Graf on her victory. She said it meant a lot to have reached the final and promised to return next year.

Referring to the crowd, who had booed her off court when she resorted to "moon-balling" in her three-set win over unseeded Karina Habsudova of Slovakia, Sanchez-Vicario said: "you weren't always with me — but I love you. See you next year."

In Saturday's showdown, Graf looked to have the match sewn up when she led 4-1 in the second-set tie-break but then lost six points in a row. She then had to climb back into the match when Sanchez-Vicario was serving for the title at 5-4 in the final set.

It was Graf's 27th win over the fourth-seeded Spaniard in 35 meetings.

Sanchez-Vicario, twice a winner here, defeated Graf in the 1989 final but was beaten by the world number-one in last year's final.

Graf's other French title wins came in 1987, 1988, 1993 and 1995.

Graf has now a record 19 grand slam singles titles — one more than Chris Evert and Martina Navratilova.

Her full list of victories came at the Australian Open in 1988, 1989, 1990, 1994; the French Open in 1987, 1988, 1993, 1995 and 1996; at Wimbledon in 1988, 1989, 1991, 1992, 1993, 1995; and at the United States Open in 1988, 1989, 1993, 1995).

EURO '96 England vs Switzerland

Switzerland grab dramatic last gasp draw in opening match

LONDON (AFP) — Switzerland grabbed a dramatic 1-1 draw with England in their Euro '96 Group A opener here Saturday thanks to a disputed 83rd minute penalty.

Striker Marco Grassi spun just inside the area and let rip. The ball headed straight for defender Stuart Pearce's face. The Nottingham Forest player put his hands up to protect himself and was hit by the ball.

Spanish referee Manuel Diaz Vega did not hesitate for a second. He immediately pointed to the spot and Kubilay Turkylmaz made no mistake.

English manager Terry Venables was clearly unhappy with the decision.



"I did not think it was a penalty," said an upset Venables afterwards.

But it was a deserved draw for the Swiss who took command in the second half as England faded badly after dominating the opening 45 minutes.

In the final 20 minutes England were desperately clinging on for dear life and only a great save by Dave Seaman a minute from the end from Grassi at the near post prevented Switzerland from getting their first ever victory over England in England.

It could have easily have been 2-1 for the Swiss.

A Ciriaco Sforza free-kick in the 81st minute came back off the defensive wall to Johann Vogel who let fly.

The ball just flashed inches past the post with Seaman nowhere in sight.

Turkylmaz also tormented the English defence with flashes of brilliance.

The one consolation for England was seeing striker Alan Shearer ending his goal drought in spectacular fashion.

The Blackburn Rover star had gone into the match with the unenviable record of not scoring in an England shirt since 1994.

But his nightmare ended when Paul Ince set him through in the 23rd minute and his shot left Swiss goalkeeper Marco Pascolo with no chance. His relief at finally scoring was clearly visible.

Paul Gascoigne's pre-tournament billing failed to live up to its promise.

The Rangers star totally faded out of the match in the second half and was finally replaced in the 76th minute by David Platt.

Venables made no excuses about his team's performance. "It was very disappointing. We were dead on our feet in the

Switzerland's Kubilay Turkylmaz celebrates after scoring on a penalty shot during the 1996 European Soccer Championship at Wembley Stadium June 8. Switzerland finished the match with England in a 1-1 draw (Reuters photo)

second half. We were confident we could win but it didn't work out like that," said Venables.

With their remaining two group matches against Holland and Scotland, England desperately needed the three points a win would have given them.

Sunday's Euro '96 schedule on ITV

Spain vs Belgium	7:00 pm, channel 1
Germany vs Czech Republic	7:00 pm, channel 2
Portugal vs Denmark	9:30 pm, channel 2

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Stich and Kafelnikov clash today in surprise final line-up

PARIS (R) — Few would have bet on Michael Stich and Yevgeny Kafelnikov reaching the French Open final but the clash between the former Wimbledon champion and the rising Russian promises to be an exciting one.

Neither has appeared on centre court in Paris for the final showdown before but the kind of form both have shown so far in the tournament should lead to a spectacular fight Sunday.

Germany's Stich, the 15th seed, demolished Swiss 14th seed Marc Rosset 6-3 6-4 6-2 in the semifinals with an impressive display of attacking tennis and warned afterwards that the best was still to come.

"My game is getting better and better," he said after becoming the first German to make it to the men's final since Henner Henkel won in 1937. "I just did everything the way I wanted and it worked."

Sixth seed Kafelnikov could have used that last quote to describe his impressive straight-sets victory over an exhausted Pete Sampras in the other semifinal.

The 22-year-old Russian, appearing in his second consecutive French Open semifinal, used the heavy artillery which earned him the nickname 'Kalashnikov' to beat an out-of-sorts Sampras 7-6 6-0 6-2 and advance to his first Grand Slam final.

"I don't think Pete was the same Pete as he usually is," said Kafelnikov, aware that the world number one had to survive three five-set battles in the earlier rounds.

"He was walking behind the baseline with his head down. This is not the way I wanted to win. I'm a little bit frustrated."

Kafelnikov, the first player from the former Soviet Union to reach a Grand Slam final since Alex Metreveli at Wimbledon in 1973, did not sound too worried at the prospect of having to face Stich at his brilliant best.

"I'm playing with lots of confidence," he said. "Since the start of the tournament my game has exploded. I don't know how my opponents feel on the other side of the net but I do feel strong."

Stich, who underwent ankle surgery last March, hesitated before deciding to come to the French Open as he thought he might not be fit enough.

But he has had a faultless run, knocking out holder Thomas Muster of Austria in the fourth round and playing arguably his best tennis since 1991.

He made his big breakthrough that year, reaching the semifinals at the French Open and going on to win Wimbledon with a memorable straight-sets victory over German Boris Becker.

Stich, 27, written off by many only a few months ago as gifted but far too erratic and often criticised for being arrogant, has found a new enthusiasm and is now surprisingly cool and relaxed.

"My last injury taught me a lot," he said. "I understood that my career could be over in just one second and that changed my attitude towards the game. Now I want to have fun, I just want to enjoy playing tennis."

Sunday's final should be marked by a classic opposition of styles between Kafelnikov's powerful baseline game and Stich's elegant serve-and-volley tennis.

Stich is playing better now than when he won Wimbledon.

"I'm much more experienced now than I was in 1991," he said. "I'm more complete, I'm just a better player."

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Engineering and Construction Services
for SOP/DCP Chemical Complex
in Jordan

Jordan Dead Sea Industries Company (JODICO) in The Hashemite Kingdom of Jordan invites qualified and experienced international contractors to submit their technical and financial offers for turnkey project related to the detailed engineering and construction of a grassroot chemical complex in Aqaba-Jordan for the production of Potassium Sulphate (SOP) fertilizer grade and Dicalcium Phosphate (DCP) animal feed grade.

The project includes: Provision of know-how (license), basic and detailed engineering, supply of equipment and materials, civil works, erection works, start up services and training.

The Bid documents comprise three separate packages, as follows:

Package No.1:
-Potassium Sulphate (SOP) unit.
Raw materials are: Potash and Sulphuric Acid.
Production capacity: 75,000 tonnes/year of SOP.

Package No.2:
-Dicalcium Phosphate (DCP) unit.
Raw materials are: Phosphate and Hydrochloric Acid by-product of SOP unit.
Production capacity: 40,800 tonnes/year of DCP.
-Storages of the SOP/DCP complex.
-Utilities of the SOP/DCP complex.

Package No.3:
-External works, auxiliary facilities and offsites of the SOP/DCP complex (also open to first class local contractors).

Bidders may bid for package No.1, or package No.2, or package No.3 or for any combination of the three packages.

International contractors are encouraged to submit their offers in association with qualified first class local contractors.

Bid documents can be obtained against the payment of a non refundable fee of JD two thousand (2000) at JODICO offices, Adli center, 3rd floor-Shmeisani, Tel.: 695945-695941, Fax: 695939, P.O. Box : 941260, Amman-111.94, Jordan.

Bid documents can be obtained during office hours from JODICO offices beginning June 9, 1996 and ending June 20, 1996.

Bids shall be submitted at 1200 hours Jordan local time in JODICO offices on August 15, 1996.

Talal Arekat
Chairman of the Board

Netanyahu's draft policy is a declaration of war - PNA

GAZA (Agencies) — Palestinian ministers said on Saturday a reported draft of policies being drawn up for the hardline coalition government of Israeli Prime Minister-elect Benjamin Netanyahu would be a declaration of war if implemented.

"This is in brief a declaration of war on the whole Arab side. By these declarations, he will destroy the peace process," Agriculture Minister Abdul Jawad Saleh told reporters in Gaza after a joint meeting of the Palestine Liberation Organisation (PLO) Executive Committee and the Palestinian self-rule cabinet.

Israel media said a draft policy statement being prepared for Mr. Netanyahu's approval opposed creation of a Palestinian state, insisted on exclusive Israeli "sovereignty" over all of Jerusalem — half of which Palestinians claim — and that Israeli sovereignty apply to the Golan Heights, seized in 1967, under any peace deal with Syria.

But a member of the drafting committee, Michael Eitan of Mr. Netanyahu's hardline Likud party, has denied any draft policy statement existed.

Mr. Netanyahu defeated Prime Minister Shimon Peres on May 29 by less than a percentage point. He con-

vinced voters he could make peace without trading land. Territorial compromise was key to Mr. Peres' diplomacy and Syria, Lebanon and the Palestinians — whose lands Israel occupies — insist on the principle.

Mr. Netanyahu is negotiating with Jewish religious and centre-right parties to form a government coalition.

The PLO Executives and Palestinian cabinet met through Friday night into the early hours of Saturday. A communiqué issued at the end called on Mr. Netanyahu to respect and implement PLO-Israel interim peace deals and resume final status peace talks without delay.

"The meeting confirmed the Palestinian commitment to the peace process and called on the Palestinian people everywhere to defend Palestinian rights and national achievements and to cut off the way in front of anyone who attempts to pull the wheel of history backward," the communiqué said.

In particular, it urges the new premier to withdraw Israeli troops from most of Hebron.

Hebron, where 450 Jewish settlers are surrounded by 120,000 Palestinians, is the only West Bank town not yet handed over in its entirety to the Palestinian National Authority (PNA).

During the election campaign, Mr. Netanyahu said

he would keep troops in all of Hebron for at least three more years, until the scheduled completion of negotiations on a final peace agreement.

Since the election, Likud officials have said that a Likud government will withdraw most of the troops from the tense city, a reversal of Mr. Netanyahu's campaign promises.

In the West Bank, about 200 Palestinians and Israeli sympathisers Saturday blocked a road being built by Israel on the outskirts of Bethlehem.

Using a bulldozer, the Palestinians piled earth and rocks on the thoroughfare, which had not yet been paved with asphalt, and planted Palestinian flags, and crosses and crescents representing Christianity and Islam, in the mounds of earth.

They repaired dry stone dykes damaged by Israeli army bulldozers, as they cut into a hillside to clear the road.

The Palestinian Committee for the Defence of Bethlehem said the road was being built on Palestinian land, and ancient olive groves were damaged in the construction.

The protesters marched from Bethlehem to the site, followed by a truck carrying the bulldozer. They carried banners saying "Israel, stop



MINI-SUMMIT: Syrian President Hafez Al Assad on Saturday sees off Egyptian President Hosni Mubarak and Crown Prince Abdullah Bin Abdul Aziz of Saudi Arabia after a mini-summit in Damascus that called for a full Arab summit in Cairo on June 21-23 (see page 1) (Reuters photo)

Bahrain rejects Iran's mediation offer, warns against interference

MANAMA (Agencies) — Bahrain on Saturday dismissed Iran's offer to mediate between its government and its Shi'ite opponents and urged Tehran to stop interfering in its internal affairs.

"Iran should first admit its mistake and review its policies of interfering in other states' affairs," Bahrain's Information Minister Muhammad Ibrahim Al Mutawae said.

"I advise the Iranian officials to address their internal affairs and stay away from our internal affairs, so that we can resolve our development problems and improve the standard of living," he told Reuters.

Iranian Foreign Minister Ali Akbar Velayati said in remarks published on Friday that Iran was ready to mediate between the Bahraini government and its Shi'ite opponents seeking political and economic reforms.

Bahrain, a regional financial and banking centre, said on Monday it had foiled a plot backed by Tehran to topple the country's government by armed revolution and install a pro-Iranian regime.

It downgraded diplomatic relations with Iran.

Shi'ite Iran denied meddling in Bahrain, where

members of the Shi'ite majority have waged an 18-month campaign of bombings, arson and sabotage against the government. At least 25 people have died in the unrest.

A government official said on Thursday 56 Bahrainis had so far been arrested in connection with the alleged plot and would stand trial after their confessions were completed.

Man ordered to serve 59 days for sharing food

SAN FRANCISCO (R) — A California man was ordered Friday to serve 59 days in jail for handing out food to the homeless without a permit, the man's attorney said. Attorney David Beauvais said Robert Norse Kahn was arrested in October 1993 for serving food with the anti-hunger group Food Not Bombs in San Francisco. Food Not Bombs said Mr. Kahn was the only person convicted in over 1,000 arrests for feeding the hungry since 1988. An injunction had been issued in 1989 against Food Not Bombs, ordering it not to serve food without a permit. The group said it petitioned 135 times for a permit but was rejected each time. Mr. Kahn was arrested in 1993 while serving soup and bagels at San Francisco's Civic Centre Plaza. Mr. Beauvais said. In February 1994, Mr. Kahn was convicted of contempt of a court order and sentenced to two months in jail. In May 1996, Mr. Kahn returned to court to seek a modification of sentencing. On Friday, Judge Robert Barclay of San Francisco Municipal Court announced his decision, enraging Mr. Kahn's supporters. "Now we realise that (San Francisco) is the most oppressive city in the U.S.," said Keith McHenry, co-founder of Food Not Bombs.

Van Damme's wife files for divorce

LOS ANGELES (R) — The wife of action movie star Jean-Claude Van Damme Friday filed for divorce for a second time in their on-again off-again marriage, citing irreconcilable differences. In legal papers filed with the Los Angeles Superior Court Darcy Van Damme also asked for custody of the couple's only child, nine-month-old Nicolas Van Damme. In addition, she is claiming half her husband's assets. In her filings, Van Damme's wife used the couple's real name, Van Varenberg. Van Damme is the actor's showbusiness name. The court papers indicated the couple were currently living apart. Darcy Van Damme originally filed for divorce in November, 1994, less than a year after the couple wed. But they got back together again and their son was born in September last year. Van Damme specialises in karate movies and has starred in such films as Universal Soldier and Timecop. Darcy Van Damme is his fourth wife.

Shanghai women wear the pants at home

SHANGHAI (AFP) — Shanghai women wear the pants at home and 90 per cent like it that way, according to a recent survey by a local newspaper, the China Daily reported. The report quoted figures from the Liberation Daily survey showing that 63.5 per cent of the housewives in Shanghai had the final say when it came to family chores and 69.5 per cent had the last word in daily economic affairs. The survey of 800 residents, balanced between men and women, found that urban housewives had more influence over their households than those in rural areas. For major decisions on matters such as educating children and choosing a profession, 79.5 per cent of the sample said they make joint decisions with their spouses. Shanghai women have a reputation for being domineering at home while the men are often complimented for their talent in doing household chores.

Iraq pipeline in south ready to pump crude

BAGHDAD (Agencies) — Iraq has completed preparations for exporting oil through a pipeline to a Turkish Mediterranean port and via its main Gulf terminal, official newspapers said on Saturday.

"The Iraqi Southern Oil Company has made ready its reservoir and pipelines to pump crude to the Turkish port of Ceyhan in the north and to Mina Al Bakr in the south," the newspapers said.

The report, carried by Al Jumhouriya and several other newspapers, quoted the company's director-general, Rafed Diboni, as saying that all Iraq's oil pipelines in the south were ready to transport crude from reservoirs to ports.

Under an oil-for-food deal signed with the United Nations on May 20, Baghdad can export oil worth \$2 billion over six months to buy desperately needed food and medicine.

The twin pipeline to Turkey's Mediterranean port of Ceyhan has been idle since the United Nations imposed sweeping trade sanctions on Iraq after it invaded Kuwait in 1990.

Under the U.N. agreement, Iraq plans to export 450,000 barrels per day (bpd) of crude oil via Turkey and 330,000 bpd from Mina Al Bakr terminal in the Gulf.

Iraq's oil pipeline network extends across the country from Kirkuk, the main oil city in the north, to Basra, a

major oil production centre by the Gulf. Oil can be pumped through the pipeline both ways.

"Staff of the company are also working round the clock to repair Khor Al Amaya terminal in Basra to cope with Iraq's oil exports in the future," Mr. Diboni said.

A U.N. team has arrived in Baghdad to examine sites needed to implement the oil-for-food agreement.

"This mission was sent by the secretary general of the United Nations to ensure... that the memorandum of understanding that was reached between him and the government of Iraq could be implemented as soon as possible," team leader, Raymond Sommereyns, said on arrival.

"It is a technical mission, we will probably stay for one week," he said.

A joint Iraqi-Egyptian commercial centre is to be opened soon in Baghdad to encourage trade between the two countries, the Iraqi press reported Saturday.

Issam Khashab, head of the Egyptian government-run Arab External Trade Company, told newspapers here: "The opening of this centre will help facilitate trade between the two countries."

An economic delegation headed by Mr. Khashab visited Iraq last year and signed contracts to export \$155 million of food, medical and agricultural products there.

Sudan backs 51 extremist groups - Egyptian report

CAIRO (AFP) — Sudan and wealthy Yemeni individuals support 51 militant groups seeking mainly to destabilise Arab countries, according to a report by Egypt's security services published Saturday.

"The regime in power in Sudan is the principal backer of 38 networks and 13 fundamentalist organisations in 13 countries, whose aim is to destabilise mainly Arab countries" through militant attacks, said the report carried by the Egyptian news agency (MENA).

"Rich Yemenis... and the Sudanese government regularly give financial help to members of these terrorist groups," it said without elaborating.

"The Sudanese regime recently authorised Iran to hold meetings with these violent groups on its territory," it added.

It said Sudan was used as a rear base by the main outlawed Egyptian group the Gamaa Al Islamiyah, the Lebanese Hizbollah, the Palestinian group Hamas, the Armed Islamic Group of Algeria and unidentified groups from Tunisia, Eritrea and Kenya.

The report also pointed a finger at Britain for its "indirect support" of the groups

by sheltering some of their leaders along with the press centre of the international Muslim Brotherhood in London.

An Egyptian official said the report was to be presented at a conference on security in the Mediterranean region, to be held in Vienna at the end of the month.

Sudan is under international diplomatic sanctions for its refusal to hand over three Egyptian militants believed to be behind an assassination attempt against Egyptian President Hosni Mubarak in Addis Ababa a year ago.

80 arrested

A total of 80 Egyptian militants have been arrested in the past week in their stronghold of the southern province of Minya, police sources said Saturday.

"They were second generation members of the armed extremist group Gamaa Al Islamiyah who were giving help to the organisation's armed activists still at large," said the source.

He said the activists had been picked up in a series of raids carried out since the beginning of June in various areas of the province, especially Mallawi.

NEWS IN BRIEF

King Fahd welcomes Sultan Qaboos

RIYADH (AP) — King Fahd, despite reports he is in poor health, met with Sultan Qaboos of Oman Saturday in the Red Sea port city of Jeddah. The official Oman News Agency reported earlier that Sultan Qaboos would exchange views with the Saudi monarch on issues of mutual interest and discuss prospects of enhancing cooperation between the two countries. Sultan Qaboos arrived earlier on a three-day private visit. He was accompanied by several high-ranking Omani officials, including Foreign Minister Yusuf Ben Alawi. His visit came amid a summit in Damascus between the leaders of Saudi Arabia, Egypt and Syria to discuss the future of the Arab-Israeli peace process. King Fahd, for unspecified reasons, did not attend the Damascus meeting, despite an invitation from Syrian President Hafez Al Assad. Saudi Arabia was represented by King Fahd's half-brother and designated heir, Crown Prince Abdullah. King Fahd, who is in his early 70s, has been reported to be in poor health since he suffered a stroke in November. From Saudi Arabia, Sultan Qaboos was expected to fly to Egypt for talks with President Hosni Mubarak.

Kuwait launches early warning blimp

KUWAIT (AP) — The armed forces launched a radar-equipped balloon Saturday to enhance the emirate's early warning system. The official Kuwait News Agency (KUNA) said the defence minister, Sheikh Ahmad Al Humoud Al Sabah, attended the launch and described the blimp as a "vital and strategic" addition to the country's defences to "fend off dangers and aggressions that Kuwait might face." KUNA did not say how much the blimp cost or who supplied it, but Kuwait has signed a \$92 million deal with the U.S. Hughes Aircraft Company for an early-warning network. The radar balloon is believed to be an advanced version of a similar system the Kuwaitis employed before the 1990 Iraqi invasion. That U.S.-made system was captured by the invaders.

Last Iranian volunteers to quit Bosnia

WASHINGTON (AP) — The last four Iranian fighters will soon leave Bosnia, thus removing a major irritant in U.S. relations with that country, a State Department spokesman said Friday. It will be a matter of days before the four remaining Iranians depart, State Department spokesman Nicholas Burns said. "We are convinced (Bosnian leader Alija) Izetbegovic will take the necessary action to get them out," he said. The men are the last remnant of a force of several hundred volunteers who fought to defend Bosnia during the most difficult period of its war against Serb insurgents. Along with weapons from Iran and other Muslim countries, they helped the Muslim-led government beat back the Serbs and create a military stalemate that set the stage for U.S.-sponsored settlement of the 3½-year war. According to that accord, all foreign fighters are required to leave Bosnia.

Egyptian, U.S. navies begin war games

CAIRO (AFP) — Egypt and the United States launched five days of naval exercises on Saturday in the Red Sea, an Egyptian military official said. The war games, dubbed "Eagle's Salute," are taking place off the coast from the Egyptian military base of Salaga and are aimed at "sharing the experience of the Egyptian and U.S. navies," the official said. "Egyptian missile craft and destroyers and several U.S. warships will take part in the manoeuvres which will end Wednesday," he added, without saying how many ships are involved. The United States is the main provider of military aid to Egypt, giving it \$1.2 billion in aid a year. The last Egyptian-U.S. exercises in the Red Sea a year ago were condemned by Sudan.

Syrian businessman files case against ministry

BEIRUT (AFP) — Syrian businessman Osman Al Aidi said he has filed charges against Syrian Finance Minister Khaled Al Mahayni to lift the government freeze on his assets, in an interview published Saturday. In an interview in Paris with the Arabic daily Al Sharq Al Awsat, Mr. Aidi, the main shareholder of the Syrian hotel chain Sham Palace and president of the French hotel group Royal Monceau, said he has asked his lawyers in Syria to file a complaint in civil court. "The complaint against the Syrian finance minister and the Syrian company Furat Petroleum is aimed solely at lifting the freeze on my assets in Syria," said Mr. Aidi, who had just returned from Damascus. The Syrian Finance Ministry slapped a freeze on the assets of several Syrian businessmen in connection with a dispute over a service contract between Sham Palace and Furat Petroleum. Mr. Mahayni said about \$16 million in public funds have been lost in the dispute.

Erbakan urges Yilmaz to join coalition

ANKARA (R) — Turkey's powerful Islamists made a pitch at caretaker Prime Minister Mesut Yilmaz on Saturday at the start of difficult negotiations to break down secularist opposition to their bid for a leading role in government.

Islam-based Welfare Party (RP) leader Necmettin Erbakan, appointed on Friday to set up a new government (see page 2), urged the conservative leader to put aside his reservations about cooperating with the Islamists.

"Forming a coalition with RP is very easy. Yilmaz has to change his behaviour and stop making the same mistakes," Mr. Erbakan told a news conference.

Islamists are likely to gain their highest share of power in Turkey's modern history if Mr. Erbakan can find government allies.

But Turkey's secularist elite, led by the military, opposes Mr. Erbakan who they fear would introduce religion to public life after more than 70 years of secularism and steer NATO-member Turkey away from the Western camp.

The political impasse has impaired Turkey's ability to deal with a 12-year-old Kurdish rebel insurgency, tense relations with neighbour Greece and deep economic woes.

Mr. Yilmaz, whose conservative alliance collapsed earlier in the week, on Friday rejected an immediate deal with Welfare.

"We came to the conclusion three months ago that we could not form an agreeable coalition with RP. There has been no new development in the last three months to make us change our mind," he said. Mr. Yilmaz remains as caretaker prime minister.

Welfare and Mr. Yilmaz's Motherland Party (ANAP) held lengthy coalition talks in February after the Islamists narrowly won inconclusive general elections but Mr. Yilmaz pulled out under pressure from secularist voters and the media.

"Oh Yilmaz, don't trust orders from the establishment. Don't make the same mistake again," Mr. Erbakan said.

He promised sweeping tax relief for the poor and vowed to ease bank loan burdens on farmers if Welfare came to power.

The party went into a closed-door meeting at its headquarters in Ankara to decide how to woo the five parliamentary parties, all of them secularists.

A similar meeting was set for Sunday and the Islamists were not expected to meet the major party leaders until

the middle of next week, Welfare officials said.

The Islamists were boosted by squabbling in the previous government between Mr. Yilmaz and conservative ally but bitter rival Tansu Ciller, Turkey's first woman prime minister.

Ms. Ciller has urged the creation of a four-party bloc to keep the Islamists from power comprising parties led by herself and Mr. Yilmaz as well as two rival left-wing parties of former Foreign Minister Deniz Baykal and former Premier Bulent Ecevit.

But there are deep doubts about the proposed alliance. The leftists have often been at odds with the free-market conservatives, especially Ms. Ciller.

And the wounds opened by the conservatives' bickering have not been healed.

A senior member of Ms. Ciller's True Path Party (DYP) slammed Mr. Yilmaz for diminishing the authority of a DYP cabinet member in the dying days of the coalition last week.

"The Turkish nation now sees that the biggest factor in the partnership's split was Mesut Yilmaz's lack of sincerity," Anatolian news agency quoted leading DYP member Mehmet Gozlukaya as saying.

Bildt says Bosnia election will be flawed but vital to avoid partition

SARAJEVO (AFP) — Bosnia's first post-war elections will be flawed but must go ahead as planned this autumn if the country is to avoid permanent partition, a spokesman for top Bosnia peace official Carl Bildt said Saturday.

Colum Murphy said the series of seven elections, due by mid-September, were vital to take the peace process forward and create nationwide institutions where Muslims, Croats and Serbs were forced to work together.

"Conditions for elections are certainly going to be far from perfect by September, although they should then be better than they are today,"

he told journalists.

"It is the belief of the high representative (Bildt) that to delay the elections is to delay the setting up of the common institutions of Bosnia-Herzegovina that are at the core of the efforts to overcome partition."

"The longer this is delayed and the two parts of the country continue to operate as political systems foreign, and indeed hostile towards each other, the more difficult and uncertain will that process be."

The Dayton peace accord, which ended Bosnia's almost four year war last December, created a central government of Bosnia-Herzegovina with

limited powers, and two largely autonomous entities: A Muslim-Croat federation and a Serb republic.

Mr. Bildt believed the election of a three-person presidency, which nominates the prime minister approved by a national parliament in which all three communities are represented, was the only chance of getting the parties to work together, Mr. Murphy said.

Robert Frowick, Bosnia mission chief of the Organisation for Security and Cooperation in Europe (OSCE), is expected to tell OSCE leader Flavio Cotti this month whether free and fair elections can be held in Bosnia